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S. HRG. 100-34

NHTSA AUTHORIZATIONS

HEARING

BEFORE THE

SUBCOMMITTEE ON THE CONSUMER

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

ONE HUNDREDTH CONGRESS

FIRST SESSION

ON

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION AUTHORIZATIONS

MARCH 6, 1987

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NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION AUTHORIZATION

FRIDAY, MARCH 6, 1987

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
SUBCOMMITTEE ON THE CONSUMER,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:30 a.m. in room SR-253, Russell Senate Office Building, Hon. Albert Gore, Jr. (Chairman of the subcommittee) presiding.

Staff members assigned to this hearing: Amy Bondurant and Thurgood Marshall, Jr., staff counsels; and Alan Maness, minority staff counsel.

OPENING STATEMENT BY SENATOR ALBERT GORE

Senator GORE. The subcommittee will come to order. I would like to welcome all of our witnesses and guests. We are having this hearing on a Friday, and as a result the attendance will not be as good as it would be were the hearing scheduled during the week at a more convenient time.

During a recent debate on the floor of the Senate, Senator Hollings and I made a commitment to move this bill expeditiously, and the only date available in this time frame was a Friday. I want to take the responsibility for the hearing being at a time when the ranking minority member, Senator McCain, is not able to be present. Also, Senator Danforth, the ranking minority of the full committee, had hoped to be here but is delivering a eulogy in St. Louis, an important one to him, and he had to be there. So I wanted to explain that at the beginning.

As chairman of this subcommittee I want to reemphasize my own enthusiastic support for legislative efforts to improve auto safety and enhance the ability of the National Highway Traffic Safety Administration to accomplish its mission. The reauthorization of NHTSA is a Commerce Committee priority.

Chairman Hollings and I, as I mentioned, offered a sense of the Senate resolution on February 3 which was adopted during consideration of the Highway Bill and which requires an authorization bill to be reported by the committee by April 1 of this year.

The last NHTSA authorization was approved by the Commerce Committee in April 1985 and passed the Senate the following month but failed in conference. That bill, much of which Senator Danforth crafted, provides a foundation for our work in this Congress.

NHTSA was created in 1966 to reduce the number of deaths and serious injuries on our highways. Its activities constitute one of the most important public health programs in America in terms of lives saved and injuries avoided. NHTSA has spearheaded numerous automotive safety measures over its 20-year history. Its efforts, including numerous Federal motor vehicle safety standards, have saved over 100,000 lives and prevented millions of serious injuries.

While NHTSA has not been as active in recent years as many would like, it has played a role in State and automotive industry initiatives on drunk driving, children's restraints and seat belt laws.

The states have also played an important role in promoting auto safety. Motor vehicle crashes, for example, are the number one killer and crippler of children in the United States, and states are aware of that. Several years ago, Tennessee, for example, enacted the very first child restraint use law. Every state now requires child restraint systems, with the result that the National Transportation Safety Board, the independent agency charged with investigating transportation accidents, estimates that these measures could prevent as many as 90 percent of child auto fatalities and the great majority of injuries.

The automotive industry is also a full partner in the safety process, having developed considerable resources to safety research and marketing. Indeed, several of the current safety requirements result from industry self-regulation, and other standards are surpassed by the manufacturers.

Thus, the automobile industry is meeting the requirement that 10 percent of new automobiles sold after September 1, 1986 be equipped with protective restraint devices. We are certainly interested in their testimony today describing plans to exceed the requirements of the passive restraint standard with respect to air bags.

Yet, much remains to be done. The highway fatality rate, after all, increased last year by 5 percent. Almost 900 Americans die in auto crashes every single week, the equivalent of one major airline crash every single day of the year.

Authorization issues which we will examine today include a side impact standard, a crashworthiness standard, a standard for light trucks and vans, commonly known as multipurpose vehicles, a lap shoulder rear seatbelt standard, gray market and NHTSA enforcement authority.

In order to make more informed judgments about the legislative issues to be decided, Senator Hollings and I have asked the automobile manufacturers to supply this subcommittee with additional information in their written testimony. This includes, one, a list of the NHTSA passenger car standards that their multipurpose vehicles are not required to meet but do meet; two, their plans for phasing in passive restraints; the status of three-point rear seat belt activity, including plans to exceed the current standard; and four, a list describing the impact speed at which their bumpers will sustain only minimal damage.

So I look forward to hearing from our witnesses today and learning more about what we can do in this vital area.

One other brief word before we begin. There are other proceedings on the Hill this morning. The Armed Services Committee has

a closed door session, classified secret, that involves an extremely important matter that I am going to have to attend for a period of time. We are going to try to get others to maintain the continuity of this hearing this morning. If that proves impossible, then there may be a slight recess during the hearing following this panel. I say that to advise those who are waiting to testify, and I hope it does not become necessary.

I have statements from Senators Hollings, Kerry, and Danforth for the record.

[The statement follows:]

OPENING STATEMENT BY THE CHAIRMAN

I am pleased that the Consumer Subcommittee is holding this hearing on the important safety issues involving the authorization of the National Highway Traffic Safety Administration. The Committee plans to move forward expeditiously with legislation in this area and to report legislation by April 1. This is the deadline imposed by the Sense of the Senate amendment that Senator Gore and I recently offered to the Highway Funding legislation.

The National Highway Traffic Safety Administration is responsible for the safety of millions of Americans. Over the years we have seen many advancements in auto safety. But the toll from highway accidents remains too high.

There are a number of interesting and complex safety issues to be discussed today which are possible provisions for inclusion in authorization legislation. These include issues such as whether NHTSA will be required to complete within one year a rulemaking to upgrade the current standard to protect against side impacts. Side impacts account for 9,000 deaths and 20,000 serious injuries annually.

Light trucks are being purchased at an increasing rate but there are now approxmiately 7,000 annual light truck fatalities every year. Today, witnesses will discuss whether these vehicles should be covered by the safety standards applicable to autos.

We will also discuss whether a national system for handicap parking is necessary. Currently, a national uniform parking symbol does not exist. Many states are unable to recongize other states' handicapped parking plates and this creates problems for those 6.5 million disabled Americans in need of special parking permits.

Auto safety has become a priority for most Americans. With nearly 900 Americans dying as a result of automobile accidents each week, much remains to be done to reduce these deaths and injuries. I look forward to the hearing today as we examine these critical issues involving auto safety.

OPENING STATEMENT BY SENATOR KERRY

Mr. Chairman, I want to commend you for holding this essential hearing on the reauthorization of the National Highway Traffic Safety Administration. The purpose of NHTSA is to promote motor vehicle safety. It has done an outstanding job in this area, particularly their efforts focusing on anti-drunk driving programs, encouraging utilization of child restraints, and safety belts; and their assistance to automobile manufacturers in providing automobile safety features such as air bags and other protections for drivers. Their goals also include promotion of pedestrian safety, motorcycle safety and vehicle occupant safety. To ensure that all these programs work, a significant portion of the NHTSA budget is used for enforcement through police traffic services.

Given its role in promoting motor vehicle safety, it seems particularly appropriate for NHTSA to protect the safety of handicapped citizens who operate motor vehicles. It is for his reason that I along with several of my colleagues introduced S. 550 the "Traffic Safety for Handicapped Individuals Act of 1987". It amends section 402, the State and Community highway safety funds, by requiring states to establish a uniform handicapped parking system designed to enhance the safety of handicapped and nonhandicapped motor vehicle operators and pedestrians.

Today, we are lucky to have before us experts in the field of transportation who are well aware that millions of Americans use their automobiles everyday as their main source of transportation. Today's witnesses are also cognizant of the fact that for handicapped citizens this is not always a safe and easy task, particularly when traveling from one state to another.

Currently there are 6.5 million disabled Americans who are in need of special parking permits to enable them personal safe mobility for everyday travel. State governments across the nation have met this need for safe travel by allocating parking spaces for handicapped individuals in their own state and have made available special license plates and or placards to identify cars able to access these parking spaces. However, because a national uniform parking system does not exist, many states are unable to recognize other states' handicap parking plates. In addition, a few states, and the number is getting smaller each year, do not honor other states handicap parking permits. Consequently, when a handicapped citizen goes from one state to another their disability is no longer recognized. I can not tell you the number of stories that I have heard where constituents, who are clearly disabled, have traveled to other states and parked in designated handicap parking spaces, only to find costly parking citations on their car when they returned, because a police officer either did not recognize or did not honor their out-of-state handicap identification.

The alternative for these citizens is to park wherever they can find spaces and thus be faced with major transportation barriers that place threatening an unsafe conditions on them. Let me give you some examples of what can happen when a handicapped person is unable to park in accessible spaces: individuals in wheel chairs must roll down the streets, citizens with walking impairments are forced to use steps, persons with developmental delays are forced to try and walk distances or cross major streets. I feel certain that no one in this room would like to place such unnecessary and unsafe burdens on any handicapped individual.

S. 550 establishes a uniform national parking system which requires all states to honor other states' handicap parking license plates. It mandates that the international symbol of access be displayed on all handicapped license plates or placards. The legislation directs the Secretary of Transportation to monitor and evaluate state compliance. If a state does not comply then their section 402 funds will be withheld.

In closing, let me just say, that being assured safe accessible parking when one travels from one state to another, while on business, on vacation, visiting friends or for medical appointments should be one's fundamental right; and more importantly it is a right that everyone in this room should work to promote. I look forward to working with my colleagues on the Committee as well as our witnesses to ensure passage of this essential act.

Opening Statement by Senator Danforth

The war against highway death and injury is far from over. NHTSA estimates that 45,600 people died in highway crashes during 1986. This was a four percent jump over 1985.

This Committee must act quickly on highway safety legislation to stop this trend. There are highway safety improvements that cry out for attention. This Committee has addressed many of them before in hearings and in reported legislation. On February 5, 1987, I introduced the "Highway Safety Act of 1987" (S. 516) which is designed to address many of these safety problems.

One of the problems S. 516 addresses is side impact crashes. Each year 9,000 Americans are killed and another 20,000 more are seriously injured in side impact crashes. In the late 1970's, NHTSA recognized that the current passenger car side impact standard needed improvement. NHTSA opened a rulemaking to improve side impact and then closed it in 1982. It's time to move forward now.

S. 516 would also require long overdue action to improve the safety of minivans, small trucks and four-wheel drive vehicles. These "light trucks" are not covered by many of the safety standards that apply to passenger cars. Head restraints have been required for passenger cars since 1968, but not for the pickup driver whose head is inches from the rear window. There has been a minimum roof crush resistance standard for passenger cars since 1971, but not for light trucks whose high center of gravity makes them prone to rollover. Let's move forward on light trucks.

S. 516 also addresses rear seat belt safety. Lap/shoulder combination belts have been required in the front seats of all vehicles since 1968. It is universally recognized that lap-only belts are not as safe. Let's move froward and require lap-shoulder rear seat belts in all newly manufactured cars.

Mr. Chairman, I look forward to working with you, the other Committee members and the safety and industry representatives who will testify today, to develop solutions to these highway safety problems.

Senator GORE. I would ask all of the witnesses to try to summarize their statements so that we may move expeditiously.

Let me now begin by welcoming our first witness, Ms. Diane Steed, the Administrator of NHTSA, accompanied by Mr. Jeffrey Miller, who is Deputy Administrator; Mr. Barry Felrice, Associate Administrator for Rulemaking; Mr. George Parker, Associate Administrator for Enforcement; and Ms. Erika Jones, Chief Counsel.

You are all most welcome, and without objection your full statement will be included in the record. We are delighted to have you here, and please proceed.

STATEMENT OF HON. DIANE K. STEED, ADMINISTRATOR, NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION; ACCOMPANIED BY JEFFREY MILLER, DEPUTY ADMINISTRATOR; BARRY FELRICE, ASSOCIATE ADMINISTRATOR FOR RULEMAKING; GEORGE PARKER, ASSOCIATE ADMINISTRATOR FOR ENFORCEMENT; AND ERIKA JONES, CHIEF COUNSEL

Ms. STEED. Thank you very much, Mr. Chairman. In the interest of time, let me just hit a few of what I consider to be the highlights of the testimony.

Let me start by talking a little bit about our enforcement program. We take our law enforcement responsibilities very seriously in NHTSA, and we have striven over the last several years to make as many improvements in that program as we can. These are the programs, as you know, by which we seek to see that any defects or failures to comply with our standards are quickly detected and remedied.

We suggest that there are several ways to measure the effectiveness of these programs: first of all, whether they succeed in detecting problems early; whether they secure a prompt recall; whether they ensure that the vehicles are actually remedied; and whether they influence the manufacturers to take steps on their own.

I think by any of these measures we have been continually improving the effectiveness of our enforcement program. As one example, we rely heavily on our toll free consumer auto safety hotline to report alleged defects or problems with vehicles. We have been experiencing a steady increase in the number of calls per year to that hotline.

We have also worked very hard to increase the number of vehicle owner questionnaires which are returned to the staff for their further analysis of details on any alleged problem.

One of the other measures of effectiveness is the influence that we have on recalls, which is as high right now as at any time in the past. We strongly believe that it is in the consumer's best interest to get potentially defective automobiles off the road as quickly as we possibly can, so our practice has been to document carefully any allegations of a defect and then seek an early voluntary recall by the manufacturer.

One statistic which I think points to the success in this approach is the fact that in making a case for a recall, some 52 percent of our recall requests, where we have asked the manufacturers voluntarily to recall, have actually resulted in recall actions by the man-

ufacturers and at an average time of about 12 months. That is a very high percentage of these request letters, higher than in the past. I would also say that we are getting the recalls which result from these request letters more quickly than we have been able to in the past, and I think that is a good sign.

A third measure of effectiveness is whether the vehicles which are recalled are actually brought in for repairs. We are doing a number of things in this area, such as trying to encourage people to bring cars in, making improvements in the recall letters themselves and improving the notification of people that there is a recall on their automobile.

In this regard, however, we think there are several things that could be done legislatively to enhance our authority to be able to do this. Although the majority of vehicle owners bring their cars in to be fixed, a significant percentage still do not bring their automobiles in.

So we have submitted legislation to improve our authority in three ways: first of all, to require manufacturers to send a follow-up notice if we determine that the original response rate of any recall is too low; secondly, to require motor vehicle lessors to forward recall notices to lessees; and thirdly, to require dealers to remedy any new motor vehicle in their possession for which they have received a recall notice before they sell the vehicle. We believe that each of these three provisions would significantly help us to do our job in actually making sure that owners are notified and that cars are brought back for the actual repairs.

Finally, to summarize, I would like to just note what has been happening in terms of occupant protection in the last few years. We are very proud and very pleased with the way the FMVSS-208 rulemaking we issued in 1984 is working. We are seeing a number of states adopt state safety belt use laws. We are working very hard, and one of our primary goals will be to increase usage in those states. We think a strong enforcement program and a strong education program are very important in the states which have such laws.

We are also very pleased to see that those laws may be having a spillover effect on the general population. With all of the discussion and talk and information on safety belts, we are seeing usage rise in the general population.

Finally, we are extremely pleased to see what the manufacturers are doing to implement the 10 percent requirement for passive restraints in their model year 1987 automobiles. We are seeing a number of air bag-equipped cars, passive belt-equipped cars and various designs from which the consumers will have a choice. We think it is working extremely well. We are very pleased with the manufacturers' response in particular to the air bag incentive in this rulemaking with their plans to increase the number of air bag-equipped cars on the road.

Our goal in the next few months is to assist consumers to understand, to know about, to experience passive restraints, to get the information out on what they are, how they work and why they are so important. Again, we have come a long way in that regard and we still, as I think you know, have a long way to go.

That briefly summarizes the main points of the testimony, and my colleagues and I would be very pleased to try and answer any of your questions.

Senator GORE. Thank you very much and, again, your full statement will, of course, be in the record.

Now tell me about your policy of requesting rather than ordering recalls of defective vehicles. Is that a fact?

Ms. STEED. We use a technique that is not necessarily new. It has been used for a number of years, and that is a recall request letter. That is when the staff believes that they have found a safety problem in a car model, we go to the manufacturer and say we have reason to believe that you have a defect in that car model. We strongly suggest that you undertake a recall of those automobiles.

Where we have done that, as I said, in 52 percent of the recall request letters that we have sent over recent years, we have been able to secure a voluntary recall.

Senator GORE. In what percent?

Ms. STEED. Fifty-two.

Senator GORE. In 52 percent of the cases, you have been able to secure a recall?

Ms. STEED. That is correct. Of the letters that we have sent, 52——

Senator GORE. Well, what happens to the other 48 percent?

Ms. STEED. We still have ongoing investigations in about 21 percent of those cases. I believe in the remaining 27 percent of the cases, after the manufacturer has come back to us and said, for the following reasons, it does not believe these automobiles have a safety defect, we have looked at that information and closed those cases.

Senator GORE. You just feel that it is not a good idea to order recalls? It is better to ask permission or to get them to agree?

Ms. STEED. We find that when we use a recall request letter and encourage the manufacturer to recall their automobiles voluntarily we get a better response, a more positive response, from the manufacturer, and it happens more quickly. When we have to order a recall, the process can go on protractedly for a number of years.

Senator GORE. I understand that argument, and I am sure that there is some virtue in it, but the first witness on the next panel has charged that this policy has been harmful to auto safety. I take it you disagree?

Ms. STEED. I certainly do. I think we have gotten more cars off the road more quickly than if we had immediately ordered a recall.

I should note that in only seven cases in the agency's history has the agency actually ordered a recall.

Senator GORE. What is the status of NHTSA's MPV study?

Ms. STEED. Light truck study?

Senator GORE. Multipurpose vehicle and light truck study.

Ms. STEED. Multipurpose vehicles are included in the study of light trucks, that is correct. We are doing a study that was requested by the House Appropriations Committee. It is due to the Congress in April. We are looking at whether or not all of the Federal motor vehicle safety, standards should apply to the various classes of light trucks and multipurpose vehicles. We will meet the April deadline.

Senator GORE. What plans and what timetable does NHTSA have for implementing the results of the study?

Ms. STEED. What we are doing, Mr. Chairman, is looking at the individual classes of vehicles that are in the large grouping called light trucks to see where extending a Federal motor vehicle safety standard would actually improve safety.

By and large, we find that, as a class, light trucks are as safe as automobiles. Within the light truck class, there are some types of vehicles, such as compact pickups, that do have a worse safety record than other types, but by and large light trucks are equally as safe as automobiles.

We are doing a number of studies on standards like center high-mounted stop lights, et cetera, to see whether or not it would make sense to apply these standards to light trucks and, if so, whether the exact same standards should be applied or whether, because of the uniqueness of the vehicle, they should be changed slightly.

Senator GORE. All right. Well, we will look forward to that report with interest when it comes out next month.

Now, tell us about NHTSA's efforts to address the need for rear lap shoulder belts and the reasons for the delay in responding to petitions on this issue.

Ms. STEED. We did receive a petition from a child passenger safety group in Los Angeles, and we granted that petition. We are now in the process of preparing a notice on which we can secure public comment on rear seat safety belts. I expect to see that notice in four to six weeks.

Senator GORE. All right, fine. Would it not be useful to consumers if the National Academy of Sciences found that an objective crashworthiness rating system could be established?

Ms. STEED. If the National Academy of Sciences could find an objective, meaningful crashworthiness rating, yes, I would say so. Our problem is we do not know how to do a crashworthiness rating system, a single number crashworthiness rating system, that would rate frontal crashes, side collisions and so forth which would be meaningful to the consumer.

We currently provide information on the crash performance of vehicles in 35 miles-per-hour frontal crashes. From a survey we have recently done, we know that consumers like that information. We also know that we can overkill with information, so what we are trying to do is find the most meaningful, most significant way we can give to consumers that information. An overall crashworthiness rating system, however, is, we think, a very difficult thing to do.

Senator GORE. Is it your view that anything other than a single number would be overkill?

Ms. STEED. It depends on how it is presented. When I say overkill, right now in the 35 miles-per-hour frontal test we measure a head injury criterion, a chest criterion, and a femur load on the legs. The most meaningful number is the head injury criterion, we believe. We used to provide consumers with information on all of those test results, and we found that that was simply overkill. So we are trying to give them a single head injury criterion through a graphic presentation and say this is the important number if you

are looking at the differences between cars. Of course, raw data on each of the criteria are available to consumers.

Senator GORE. You would be supportive of NAS efforts to establish a crashworthiness rating system?

Ms. STEED. If a crashworthiness rating system could be established that is meaningful and correlates with real world experience, yes, I would. But it is a very tough thing to do.

Senator GORE. Since you anticipate producing a side impact standard this summer, you oppose a legislatively mandated schedule; correct?

Ms. STEED. Right.

Senator GORE. Precisely how would a time limit of one year for the issuance of such a standard interfere with your schedule?

Ms. STEED. Well, we would intend to have a notice out in the spring or summer of this year on side impact. I would say that standard is probably the most complex the agency will have addressed since the 208 standard, because it involves the side crashworthiness of a vehicle.

We have a lot of work to do with the new side impact test dummy in order to build it to simulate human responses. To have a final rule out one year after the proposal might not permit enough time for us to allow significant public comment and to finish up some of our research on dummies in particular.

Senator GORE. We hear that a lot from agency heads. We have a lot of work to do with the dummies.

Let me say that we will have a lot of follow-up questions for the record from myself and from members who are not present.

We anticipate having a series of oversight hearings later this year, but we are going to focus our efforts at this point on trying to get an authorization bill passed. We certainly appreciate your testimony and the appearance of all of your assistants here.

We are going to have to move on with the hearing at this point, so we will submit further questions for the record. Thank you very much.

Ms. STEED. Thank you.

[The statement and questions follow:]

STATEMENT OF HON. DIANE K. STEED, ADMINISTRATOR, NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Mr. Chairman and Members of the Committee. I am pleased to appear before you today to discuss current vehicle safety issues. With me at the witness table are Jeffrey Miller, Deputy Admnistrator, Barry Felrice, Associate Administrator for Rulemaking, George Parker, Associate Administrator for Enforcement, and Erika Jones, Chief Counsel.

I would like to begin by reporting our latest data about highway safety. Our preliminary data for 1986 suggest that about 45,634 persons died in traffic crashes, an increase of almost 2,000 from the 1985 level. I am greatly concerned about this increase. Although we know that it is directly attributable to a significant increase in travel in 1986, so that the fatality rate was the same as the all-time low rate achieved during the prior year, we see the numerical increase as a reminder of the urgent need to continue our safety efforts. Over the past several years we have been able to reduce substantially the rate as well as the absolute numbers of fatalities and I am anxious to resume that downward trend.

In looking at the national pattern of accident experience in 1986, we can see that the increased travel in 1986 resulted in general increases in vehicle crashes throughout the country. However, in looking at fatality patterns. we find state-to-

state differences that are significant. Of particular note are those states which have enacted safety belt use laws. In the face of an overall increase of 8 percent in fatalities for front seat occupants of passenger vehicles in states without belt laws, the 12 states whose new laws were in effect for the first six months of 1986 experienced an average 3 percent decrease in these fatalities during that period. Of the states with belt use laws, Texas had the highest percentage of use—64 percent. We estimate that Texas also had the sharpest decline in fatalities—15 percent.

Another safety measure which we believe to have been effective in keeping the accident rate down in 1986 was the center high mounted stoplamp, which we required to be installed on all passenger cars beginning with model year 1986. Based on data from the first year's experience with the new stop lamps, we estimate that the lamps have reduced the likelihood of being struck in the rear while braking by 22 percent. This reduction offers a good example of how a safety device can produce readily measurable improvements in safety.

SAFETY RECALLS

In your letter of invitation, you asked me to address the effectiveness of the vehicle safety enforcement programs. These are the programs by which we seek to ensure that any safety defects or failures to comply with our standards are quickly detected and remedied. We would suggest that the test of effectiveness has several parts: whether the programs succeed in detecting safety problems at an early stage, whether they secure the prompt recall of the affected vehicles, whether they ensure that the vehicles are actually remedied, and whether they influence the manufacturers to take steps on their own to ensure that their vehicles are free of safety problems.

By any of these measures, I believe we have continually improved the effectiveness of our enforcement program. We begin most of our investigations as the result of consumer complaints. Many of these begin as calls to our toll-free consumer hotline. Through intensive publicity about the hotline and improvements in its staffing and equipment, we have been experiencing a steady 7.5 percent increase per year in hotline inquiries. We have adopted a practice of sending a vehicle owner questionnaire to almost all hotline callers. We sent over 80,000 questionnaires last year, of which about 12,000 were returned. The information from the questionnaires, along with information from petitions, letters, and other contacts, formed the basis for opening 107 investigations during 1985. In addition, we received 19 petitions last year requesting us to open investigations, of which we granted 9. By careful examination of trends in consumer complaints and petitions, we believe that we are able to detect many problems at an early stage.

Another measure of effectiveness is the influence we have on recalls, which is as high as at any time in the past. We strongly believe that it is in the consumer's best interest to get safety defects remedied as quickly as possible. Our practice has been to document carefully any allegations of a defect, then to seek an early voluntary recall by the manufacturer. One statistic which points to our success in making a case for recall is that 52 percent of our voluntary recall requests have resulted in recalls, with an average time to recall of less than 12 months. This high percentage reflects the thoroughness with which we prepare our defect investigation cases. Our goal is to get unsafe vehicles off the road in the shortest possible time, and we believe we have made good progress toward this goal. For all recalls we influence, the recalls are occurring 11 percent faster than in the late 1970's. The General Accounting Office, in a recent general review of the defects program, concluded that our procedures for identifying defects and conducting defect tests were reasonable.

A third measure of effectiveness is whether the vehicles recalled are actually brought in for repairs. In this regard, we think there is a need to strengthen our legislative authority. Although the majority of owners bring their vehicles in, a significant percentage do not. In an attempt to increase the percentage of vehicles repaired, we have submitted legislation to improve our authority in three respects: to require manufacturers to send a follow-up notice if we determine that the response rate is too low; to require motor vehicle lessors to forward recall notices to their lessees; and to require dealers to remedy any new motor vehicle in their possession for which they have received a recall notice before selling the vehicle. The provisions relating to leased vehicles and the remedy of new vehicles before sale were a part of our legislative program last year, and were included in last year's House bill (H.R. 2248). The provision relating to follow-up notices resulted from our study of the effectiveness of such notices in past recalls. We believe that each of these provisions will help increase the percentage of vehicles actually remedied, and we urge you to consider them favorably.

The final measure of effectivenesss, our influence on the industry's practices, is the hardest to evaluate. We believe that the improvements we have made in the defect investigation program have led the industry not only to improve the detection and recall of vehicles with safety defects but also to take measures to reduce the incidence of defects during the manufacturing process. The number of vehicles recalled each year should not be taken as a measure of the effectiveness of the defect program. There are many factors which influence defect recalls. A low number of recalls in any given year, in the face of heightened consumer awareness and pressure from us to detect defective vehicles, may well indicate that there are fewer defects, not that defects are escaping detection. We intend to maintain pressure on the manufacturers to reduce the public's exposure to such defects.

AUTHORIZATIONS FOR VEHICLE SAFETY PROGRAMS

You have asked for our views on authorization legislation, including the bills from the last Congress (S. 863 and H.R. 2248). In addition to its request for enhanced recall authority, the Administration is seeking authorization levels for the Vehicle Safety Act and Cost Savings Act which will allow us to continue programs under these Acts at their present levels. We believe that these levels will enable us to carry out the programs under these acts effectively. The levels we propose are essentially the same as those in H.R. 2248.

We have previously raised numerous objections to several substantive provisions in both S. 863 and H.R. 2248. Attached are copies of the views we transmitted on each of these bills last year. I am pleased to have this opportunity to highlight two of our concerns with S. 863.

Last year's Senate bill, as passed, contained a provision which would require the National Academy of Sciences (NAS) to study the means of establishing an "objectively based rating system" for the crashworthiness of motor vehicles. Upon receiving the NAS report, the Department would have to conduct A rulemaking action based on the report and would have to issue a rule within three years if it determined that the system could be established. As we stated last year, the results of experimental crash tests for developing such a system have not thus far shown a clear correlation to real-world crashes and injuries. We doubted that the NAS study would produce new information on which to base a meaningful rating system, especially within the 18 months called for in the bill. Furthermore, we believed that the bill was seriously flawed in that it did not explicitly require the Department to consider the costs and benefits of promulgating such a rating system. It remains our view that the Department's experimental New Car Assessment Program, which we are continuing to improve, offers the best information available on crashworthiness under the current state of the art. We plan to continue this program, believing it to be more meaningful to consumers than a numerical rating system of the type proposed in the bill.

S. 863 contained a second regulatory requirement of consequence, which would have required the Department to reopen the rulemaking on upgraded side impact protection for passenger cars and to issue a final rule within one year. Although we stated at that time that significant technical differences concerning the selection of measuring devices and performance criteria would preclude the issuance of a regulation within the one-year timeframe, we have been making steady progress toward the resolution of the technical aspects of side-impact protection.

It is beyond question that side impacts are a serious safety problem. Almost one-third of occupant fatalities occur in side impacts. While we estimate that the current standard is saving approximately 500 lives a year, mainly in single-vehicle crashes, we believe that measures can be taken to improve side impact protection. We have developed a new test dummy, a new side impact device, and a new set of injury criteria for side impact. With these advances and better information, we anticipate issuing a proposal on side impacts this summer. Accordingly, we continue to oppose a legislated mandatory schedule for side impact rulemaking.

PASSIVE RESTRAINTS

I want to conclude testimony by bringing you up to date on developments involving Standard No. 208, *Occupant Crash Protection.* This is the longest and most significant regulatory action ever undertaken by our agency.

On June 11, 1986, the Ford Motor Company submitted a petition to amend Standard No. 208 to permit a car with a driver-side air bag system and a manual lap/shoulder belt for the passenger to continue to earn a one car credit beyond the automatic restraint phase-in period. The Ford petition was followed by a remarkable series of supporting comments to our docket, not only from other manufacturers but

from many of the insurance companies and safety organizations which have been active proponents of air bags. The consensus of these commenters—including Travelers, United Services Automobile Association, Nationwide, Aetna, State Farm, the American Insurance Association, the National Association of Independent Insurers, the Insurance Institute for Highway Safety, and the National Safety Council—was that the Ford petition appeared to represent a significant step toward the introduction of air bags as standard equipment.

After a careful evaluation of the safety effects of Ford's petition, we tentatively concluded that extending the availability of the one car credit for a driver-side air bag will encourage the orderly development and production of passenger cars with full-front air bag systems. The analyses done by Ford, the Insurance Institute for Highway Safety (IIHS), and the agency all show that a driver-side air bag system combined with a manual lap/shoulder belt for the passenger provides substantial safety benefits. The use rate of automatic safety belts must be at or near 60 percent before the benefits of those systems exceed the benefits of driver-only air bags. The IIHS and NHTSA analyses further show that a driver and passenger side air bag system yields the greatest benefits of the systems we analyzed. Ford stated in its petition that if it were permitted more time to develop passenger-side air bags, it would be able to install full-front air bags in a greater percentage of its cars. We have thus tentatively concluded that the projected benefits of a driver-side only air bag system warrant permitting that system beyond 1989 to permit the development of driver and passenger side air bag systems which, when used with lap/shoulder belts, promise to have even greater effectiveness in reducing deaths and injuries.

We have therefore issued a notice of proposed rulemaking that would extend the credit for driver-side air bags. As suggested by IIHS, United Services Automobile Association, and other commenters, we proposed extending the credit only for the time necessary to complete the development and installation of passenger-side air bags for all types of cars, which we currently estimate to be about four years beyond model year 1990. However, we welcomed comments on whether this is the right amount of time. We also proposed that a manufacturer which seeks a credit for installing a driver-side air bag in a vehicle must also install a dynamically-tested manual lap/shoulder belt for the right front passenger in such vehicle.

I want to stress in the strongest possible terms that our proposal would in no way delay the date by which all passenger cars would be required to be equipped with passive restraints. We have consistently denied all requests for a delay, including a recent request by Rolls-Royce for a four-month extension of the first phase-in period. September 1, 1989, remains the date for the installation of passive restraints in all passenger cars. Our proposal is designed to increase the percentage of those vehicles which will be equipped with air bags for the driver, and ultimately for the passengers as well.

I also want to call attention to the beginning of the phase-in period for passive restraints. Cars equipped with passive restraints are now entering the showrooms. When consumers have the opportunity to see the new systems, including air bags and the various types of motorized belt systems, we think that the market demand will ensure that passive restraints are here to stay. As an example, the Ford Motor Company has been sponsoring "safety days" at dealerships around the country to publicize the availability of air bags and their new automatic belts. These events have resulted in dealer orders for thousands of air bag equipped cars and a new appreciation for automatic crash protection.

At NHTSA, we are doing everything we can to ensure that auto dealers are taking affirmative steps to inform the public about these systems. In a speech to the National Automobile Dealers Association, and again in a speech to both manufacturers and dealers at the Automobile Hall of Fame, I emphasized that the public has become much more interested in safety and that they, the dealers, have both an opportunity and a responsibility to promote this interest through informing their customers of the restraint options available to them. As a result, the NADA has changed its policy and now supports passive restraints. This represents a significant change in attitude that I believe will be reflected in the sales of occupant restraints of all kinds—air bags as well as automative safety belts. As you know, we are also providing the public with new information about passive restraints. We have already distributed some 150,000 copies of two new pamphlets on passive restraints and 350,000 copies of a pamphlet showing parents how to use child safety with the new restraints.

The momentum for safety belt use laws has grown steadily. Since Secretary Dole's July 1984 occupant protection decision, 26 states and the District of Columbia have enacted safety belt use laws. Referenda in the last election repealed two of these laws, one by less than two-tenths of one percent. We were disappointed with these

results, since the belt laws in those states had resulted in increased belt usage and noticeable declines in occupant deaths and injuries. Despite this setback, we believe that the lifesaving and economic benefit of safety belt laws will lead other legislatures to pass such laws, as has just happened in Virginia. In our 19-city survey, the December 1986 results show that in the 13 cities with safety belt laws in effect during the last 6 months of 1986, 46 percent of the drivers were buckled up. The cities of Dallas and Houston reported the highest usage rates in that study of 67 percent and 64 percent, respectively. North Carolina has now surpassed those rates with a rate of 78 percent since its fines went into effect in January 1987.

The reports on the safety effects of these laws are very encouraging. In the eight states that had belt use laws during at least three months of 1985, front seat occupant fatalities in passenger vehicles were reduced an average of seven percent during the months that the laws were in effect, compared to the corresponding months of 1984. For Illinois, fatalities during the last six months of 1985 were down 14 percent compared to the five-year average for those months. Injuries have also shown a marked decline in states with safety belt use laws. In New York, where a law became effective on January 1, 1985, a study of emergency room admissions in the first quarter of 1985 showed a 19 percent reduction in motor vehicle occupant injuries compared to the first quarter of 1984.

Coupled with the introduction of automatic restraint systems, these laws are making a real difference in the safety of the travelling public. We believe that the Secretary's occupant crash protection decision is working as intended. For the first time we are able to measure the effects of the occupant protection standard by lives saved, not just by words on paper.

This concludes my statement. I will be glad to try to answer any questions you may have.

U.S. DEPARTMENT OF TRANSPORTATION,
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION,
Washington, DC, March 17, 1987.

Hon. ALBERT GORE, Jr.,
Consumer Subcommittee Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: In reply to your letter of March 6, 1987, I am enclosing our answers for the record of the Subcommittee's hearing on that date.

Sincerely,

JEFFREY R. MILLER
(for Diane K. Steed, administrator).

Enclosure.

QUESTIONS BY SENATOR ALBERT GORE

Question 1. What is the status of NHTSA's upcoming report on multipurpose vehicles and how soon after the GAO's 1978 Report did NHTSA begin to prepare its study?

Answer. The study referenced in your question is being prepared at the request of the House Committee on Appropriations. This request was made in a report dated July 18, 1986, and our study began immediately thereafter. For the purpose of clarification, it should be noted that the upcoming report will address light trucks, including pickups, vans, and multipurpose vehicles.

Apart from this study, NHTSA has, since its inception, addressed the safety needs of occupants of vehicles other than passenger cars. The initial motor vehicle safety standards issued in 1968 concentrated on requirements for passenger cars, because, at the time of issuance of those standards, there was a clear distinction between the design and intended purpose of passenger cars and light trucks. Unlike passenger cars, light trucks were designed and used primarily as cargo-carrying vehicles rather than as people-carrying vehicles. In addition, because light trucks were structurally different than passenger cars, the agency anticipated that occupants of light trucks would not be as vulnerable to injuries as were passengers car occupants.

As the design and usage of light trucks began to change, the agency began in the 1970's to re-examine how its safety standards should apply to those vehicles. Most safety standards issued after the first standards apply to both passenger cars and light trucks, and many of the initial standards have been amended to cover light trucks. For example, to improve the protection provided to light truck occupants in a crash, the agency extended three important crashworthiness standards to those vehicles. Those standards required the use of better instrument panel padding and

energy-absorbing steering columns. In addition, the agency placed limits on the rearward movement of the steering wheel in a crash to reduce driver chest and head injuries. Subsequently, the agency also extended two additional occupant protection standards to light trucks. Those two standards set windshield retention requirements and set limits on the intrusion of material into a protected zone in front of the windshield to reduce the possibility of external vehicle structure, such as the hood, from being pushed through the windshield in a crash. To improve the ability of light trucks to avoid crashes, the agency also extended the requirements of its hydraulic brake standard to those vehicles.

More recently, NHTSA issued Notices of Proposed Rulemaking to require the dynamic testing of safety belts in light trucks (April 1985) and to extend the steering column rearward displacement standard to more light trucks than are currently covered by the standard (also April 1985). Final decisions on both issues are expected by this summer. The agency also expects to issue an ANPRM this year to discuss requiring side impact protection for light trucks. Further plans will be discussed in the light truck safety report to Congress which is due April 15, 1987.

Thus, NHTSA's designation of light truck safety as a major priority occurred well before the GAO Report, has been an active rulemaking issue since the report, and continues to be part of our ongoing review of safety improvement opportunities.

Question 2. Do you have a position on Senator Kerry's bill to provide a uniform system for handicap parking?

Answer. We believe that a uniform system of vehicle identification for handicapped persons is desirable and that reciprocity among the states does make parking easier for the handicapped. We also understand the states have made substantial progress in implementing these measures, and that active efforts are underway toward full recognition of this system. A sense of Congress statement in the Department's 1984 Appropriations Act encouraged the states to adopt the International Symbol of Access and to agree to reciprocity on parking privileges. Secretary Dole wrote to all 50 governors endorsing that recommendation. We believe that these statements are continuing to have a positive effect.

The American Association of Motor Vehicle Administrators is taking steps to address most of the provisions in Senator Kerry's bill, and will include the handicapped parking issue in its annual workshop this April. The work of this association demonstrates the states' interest in improving uniformity through their own efforts.

Another factor that argues against the Kerry approach is that the Congress is already addressing legislation to assist the states in the evaluation of handicapped parking needs. The legislation, a part of the highway authorization bill (H.R. 2), directs the Secretary to study the problems of handicapped persons in parking, the need for parking privileges for the handicapped, and the need for state reciprocity. The study would lead to a model law for the states to follow. This legislation would compliment the states' current efforts, rather than imposing a result on them.

As to the sanction contained in the bill, we strongly believe that the proposed withholding of highway safety funds would be counterproductive. The state highway safety offices have little or no connection with, or responsibility for, parking issues, and should not have their funds threatened by a program outside their control. They use their funds for matters of importance to highway safety, such as controlling drunk driving, improving emergency medical services, and increasing the use of safety belts and child restraints. We believe this program benefits public safety, and it would be short-sighted to interrupt the progress this Nation has been making in improving traffic safety. We therefore oppose the provision in S. 550 that would require us to withhold these funds.

Question 3. With regard to Senator Wirth's NHTSA petition seeking a vehicle rollover standard, is there anything inherently wrong with the proposed formula?

Answer. The results of the accident data analyses performed so far indicate that the "stability factor" formula (half the vehicle's track width divided by the vehicle's center of gravity height) is probably not an appropriate measure upon which to base a Federal Motor Vehicle Safety Standard. These analyses show that the "stability factor" alone is not a reasonable predictor of a vehicle's likelihood of being involved in a fatal rollover accident. Other factors, including wheelbase, suspension, other vehicle characteristics, and driver factors, appear to also influence a vehicle's rollover propensity, and their combined effects would seem to have a greater potential impact on that propensity than the "stability factor".

Question 4. What is the status of Senator Wirth's NHTSA petition seeking a vehicle rollover standard determined according to center-of-gravity and vehicle track?

Answer. Analysis of extensive accident and fatality data is required. Conclusions from this analysis are necessary to determine whether the petition should be grant-

ed, granted in part, or denied. It is expected that an agency decision will be made this spring.

Question 5. Since less than 10 percent of tires sold through independent dealers are registered, it is unlikely that owners of defective tires will actually receive notification of defects. How would you remedy this problem.

Answer. In recognition of this problem, the agency published an Advanced Notice of Proposed Rulemaking (ANPRM, Docket No. 70–12, Notice 26) in the Federal Register (51 FR 45916) on December 23, 1986. This ANPRM included NHTSA's evaluation of voluntary registration over a two-year period (October 82–October 84) and some recommendations by the agency for public comment. The comment period closed on February 6, 1987. At the present time, the agency is evaluating the comments received in response to this notice. Upon completion of this evaluation, which should be completed by this summer, the agency will determine an appropriate course of action.

Question 6. Do you think other organizations are doing enough to promote passive restraints and belt laws?

Answer. Although we believe that much more needs to be done to promote restraint use, we would like to emphasize that much good work has already been done. Many groups have committed themselves to the support of safety belt use laws and to the development of public awareness campaigns about safety belts and other restraint systems. These groups include law enforcement organizations, medical associations, service organizations, educators, state and local governments, and many private sector employers. The work of these groups has contributed immeasurably to the steadily rising level of safety belt use across the country.

In looking at ways to improve restraint use, we believe that additional work needs to be done to involve local police departments. The commitment of the local police is often a key to the success of a safety belt law. They are also a vital link in programs to educate the public about the importance of safety belts and passive restraints.

We believe that automobile dealers have an important contribution to make in educating the public about both kinds of restraints. Our research shows that new car buyers are very receptive to information about occupant protection. New car dealers are in a unique position to provide such information.

We also note that automobile insurance companies can promote occupant protection, both by providing information to their policyholders, and with premium discounts or other financial incentives for those who wear belts or purchase cars with passive restraints.

Question 7. You have recited impressive statistics concerning the benefits of mandatory seat belt laws. In the past you have indicated that NHTSA will determine which of the state laws satisfy D.O.T.'s minimum criteria. Do you have a preliminary view on this? When do you expect to complete that determination?

Answer. We are completing our review of the state safety belt laws in order to provide the states with our informal advice comparing the minimum criteria established in the July 1984 decision on occupant crash protection with the provisions of each state's safety belt use law. We expect to complete our work and provide that advice during the spring.

Question 8. The Department of Transportation recently exempted convertibles from the passive restraint standard. Please summarize the rationale for that determination and indicate whether you anticipate a rollback of that exemption.

Answer. The "exemption" for convertibles (announced in October 1986) was limited only to the brief duration of the phase-in period (ending September 1, 1989) because automatic restraint requirements for convertibles were believed to be neither reasonable nor practicable based on the limited technical and planning information available at that itme. In that same notice, the agency announced that it would determine in a subsequent rulemaking whether there would be any change in the current rule which requires automatic restraint systems in all convertibles (as in other passenger cars) after the phase-in period ends on September 1, 1989. We are currently proceeding with our deliberations and we expect to publish a final decision on this issue by April 1, 1987.

Question 9. In light of the significant drop in circulation since the government stopped publication, do you have any plans to bring back the "Car Book" for possible government publication and sale?

Answer. The intent of the "Car Book" was to bring safety information to the attention of consumers as they make their vehicle purchasing decisions, operate their cars or trucks or even learn to use the new technologies that are constantly being introduced.

The significant drop in circulation is easily explained. The public must now purchase the "Car Book" whereas when it was published by the government, it was

"free" upon request. And this was at a considerable cost to the taxpayers. The year NHTSA published the "Car Book," just printing and distribution of the document cost the government slightly over $1.2 million. In today's dollars, that would amount to approximately $1.6 million.

In addition to the high cost, the document was published on an annual basis, giving a snapshot of safety information at a single point in time. The information was outdated almost before the document was published. In trying to cover a very broad range of topics and attempting to appeal to the universe of the motoring public, it became even more difficult to keep up to date.

We determined that a better strategy for providing consumer information would be one that would provide information on a timely basis, be quickly responsive to changing information and be meaningful and understandable. Information on such topics as crash tests, automatic restraints, defects and recalls, new technology, fatality and injury statistics, drunk driving, safety belts, and child safety seats, for instance, is now released as quickly as it becomes available. This information is disseminated through press releases, pamphlets, fact sheets and the agency's toll-free Auto Safety Hotline. We encourage the private sector to make use of this information and further publicize it to interested consumers. The privately published "Car Book," Consumer Reports, all major newspapers with automotive sections, and other consumer information publications regularly use NHTSA as a primary source for much of their information.

We believe our current consumer information strategy to be a superior approach to meeting consumer needs with timely, accurate information.

Question 10. What specifically are the minimum criteria which D.O.T. expects to be included in mandatory seat belt laws and what is involved in analyzing such laws to determine whether they comply?

Answer. The Department's July 1984 decision on occupant crash protection established the minimum criteria that will be used in deciding whether a state safety belt use law will be counted in determining whether two-thirds of the population of the United States are covered by effective safety belt use laws. As mentioned previously, the agency plans to provide informal advice to the states that will identify differences between the minimum criteria and the provisions in each state's safety belt use law. The minimum criteria provide that the State safety belt use must:

(a) require that each front seat occupant of a passenger car equipped with safety belts under Standard No. 208 have a safety belt properly fastened about his or her body at all times when the vehicle is in forward motion.

(b) If waivers from the safety belt usage requirement are to be provided, permit them for medical reasons only.

(c) Provide for the following enforcement measures:

(1) A penalty of not less than $25.00 (which may include court costs) for each occupant of a car who violates the belt usage requirement.

(2) A provision specifying that the violation of the belt usage requirement may be used to mitigate damages with respect to any person who is involved in a passenger car accident while violating the belt usage requirement and who seeks in any subsequent litigation to recover damages for injuries resulting from the accident. This requirement is satisfied if there is a rule of law in the State permitting such mitigation.

(3) A program to encourage compliance with the belt usage requirement.

(d) An effective date of not later than September 1, 1989.

Question 11. What is the status of your rulemaking on the Ford petition extending the credit for driver-side air bags? When can a final decision be expected?

Answer. A final decision is expected before the end of March, 1987.

Question 12. Some 8,000 pedestrians are killed annually and many more are seriously injured. How has NHTSA responded to this problem?

Answer. In our pedestrian safety program, we have placed the greatest stress on programs in the elementary schools. Children are at relatively high risk as pedestrians, and are also easily accessible through classroom materials. We have funded the development of a variety of school safety programs, and have evaluated these and other programs for effectiveness. We have worked with the states to help incorporate the most effective of these programs into the schools. In addition to providing technical assistance to states and communities, we serve as a national clearinghouse for news about the success or failure of pedestrian safety programs.

In addition to school children, the elderly experience a higher risk of injury as pedestrians. We are currently engaged in a joint funding project with the Federal Highway Administration which will incorporate recent research into a comprehensive pedestrian safety program which will include components dealing with the elderly.

A third category of pedestrian at higher risk consists of persons who are intoxicated. Of fatally-injured pedestrians in the age groups between 20 and 65, more than 40 percent are intoxicated. It is our hope that this category of high-risk persons can be reached through the broad range of programs focussing on alcohol abuse in general.

We also note that programs of the Federal Highway Administration and state and local governments are addressing pedestrian safety needs through physical improvements to the highway environment—such as better signs and markings on roads and at intersections, and improved traffic control devices.

Question 13. What is the current status of the "Audi 5000" sudden acceleration investigation? Is there a pattern appearing of more sudden acceleration problems, and if there is such a pattern, could faulty electronic or computer controls be responsible?

Answer. The agency's Audi investigation is still ongoing. NHTSA is monitoring the effectiveness of Audi's recall campaign.

Reports of sudden acceleration problems have been received over the years on virtually all makes of vehicles; however, there has been an increase in reports received by NHTSA recently. After investigating the complaints, NHTSA has not found a mechanical or electrical cause for most incidents. Faulty electronic or computer controls cannot be the direct cause of full speed sudden acceleration incidents, because they cannot supply the engine with both the fuel and the air necessary for high power levels. They also do not control the brake system. They can cause high idle speeds and engine surge which may explain lower speed, confined space incidents and which may cause driver error as they respond to the surge. Thus, there have been some recall of defective electronic or computer controls. Electronic cruise control systems are still under active investigation as potential causes of some sudden acceleration incidents.

Question 14. Please provide the Subcommittee with the following information concerning NHTSA investigations of the Audi 5000 and Nissan sudden acceleration, the Ford Econoline Van fuel system, and Ford park-to-reverse:

The status of each inquiry.

The dates NHTSA commenced a preliminary inquiry and the dates subsequent investigative proceedings or stages were commenced.

Correspondence or records of correspondence with manufacturers and others concerning the possible defect.

The number of complaints NHTSA has received concerning the possible defect.

The number of deaths, injuries and crashes that have been associated with the possible defect.

Whether NHTSA knows if there is a defect associated with these events and, if so, what the defect may be.

Answer.

Audi Sudden Acceleration

Status: The investigation is continuing.

Opening dates: Preliminary Evaluation opened November 19, 1985; Engineering Analysis opened May 30, 1986; and Investigative case opened August 5, 1986.

Manufacturer Inquiries: Although the dates of NHTSA inquiries and manufacturer responses have been cited, copies of the actual correspondence are so voluminous that it is impractical to provide them for the record. This information and all other non-confidential investigative material is available to the public in NHTSA's Technical Reference Division.

Information Request:	*Response:*
November 25, 1985	January 15, 1986
May 14, 1986	June 4, 1986
June 12, 1986	July 29, 1986
September 17, 1986	October 17, 1986
October 23, 1986	November 6, 1986
November 6, 1986	December 19, 1986
December 23, 1986	January 14, 1986

Complaint Statistics: (Does not include the information most recently received from Audi).—Complaints, 878; Accidents, 666; Injuries, 228; and Fatalities, 5.

NHTSA has an open investigation of alleged sudden acceleration in 1978 to 86 model year Audi 5000 vehicles. The agency has not determined that the subject vehicles contain a defect; however, Volkswagen of America has filed a report pursuant to 49 C.F.R. part 573 notifying the agency of its commencement of a safety related defect recall pursuant to the requirements of the Safety Act. While the manufacturer's notification letters to the agency and to owners did not contain an express statement that the manufacturer had determined that the vehicles contain a defect

which has caused all of the reported incidents, it did contain a description of the sudden acceleration phenomenon and its potential hazards. The manufacturer has offered a remedy designed to prevent futher occurences of such incidents. In addition the manufacturer has expressly determined that some of the same vehicles are equipped with an idle stabilizer valve which is defective and that this defect could cause some of the reported incidents which have not involved full throttle acceleration. The agency has kept its investigation open for the purposes of monitoring the success of the Audi recall action and to complete its analysis and development of evidence it had gathered.

Nissan Sudden Acceleration

Status: The Engineering Analysis is continuing.

Opening Dates: Preliminary Evaluation opened November 6, 1984; Engineering Analysis opened May 9, 1985.

Manufacturer Inquiries:

Information Request:	*Response:*
November 29, 1984	January 31, 1985
October 10, 1985	December 24, 1985
April 9, 1986	June 30, 1986
November 14, 1986	February 3, 1987

Complaint Statistics: Complaints, 199; Accidents, 146; Injuries, 65; and Fatalities, 5.

NHTSA has an engineering analysis level investigation under way with respect to alleged sudden acceleration in certain vehicles manufactured by Nissan. NHTSA has made no determinations in this investigation.

Ford Econoline Van fuel system

Status: The Engineering Analysis is continuing.

Opening Dates: Preliminary Evaluation opened June 16, 1986; Engineering Analysis opened November 4, 1986.

Manufacturer Inquiries:

Information Request:	*Response:*
June 23, 1986	August 15, 1986
July 24, 1986	September, 15, 1986
August 5, 1986	November 18, 1986
February 20, 1987	

Complaint Statistics: Complaints, 283; Accidents, 14; Injuries, 2; and Fatalities, 0.

NHTSA has an engineering analysis level investigation under way with respect to fuel system overheating in Ford E 350 vans and chassis cabs, including such vehicles which are converted to ambulance use. NHTSA has made no determinations in this investigation.

Ford Park to Reverse

Status: Closed.

Opening Dates: Engineering Analysis opened July 14, 1977; Investigative case opened October 18, 1977; Case closed May 4, 1981.

Manufacturer Inquiries (Subseqent tot he settlement agreement):

Information Request:	*Response:*
August 27, 1981	September 30, 1981
January 8, 1982	Feburary 1, 1982
March 19, 1982	April 26, 1982
January 18, 1983	May 4, 1983
May 27, 1983	September 21, 1983
September 23, 1983	October 14, 1983
March 27, 1984	May 11, 1984
October 11, 1984	December 6, 1984
March 18, 1985	May 31, 1985
September 20, 1985	November 11, 1985
April 4, 1986	June 6, 1986
October 3, 1986	December 22, 1986

Compliant Statistics: Incidents, 19,397; Property Damage Accidents, 9,067; Injury Accidents, 5,032; and Fatalities; 284.

Note: Incident and accident counts do not include Ford's response of December 22, 1986 which contains approximately 350 reports.

In June 1980. NHTSA issued an initial determination that Ford vehicles built before 1979 and equipped with any of five different automatic transmissions con-

tained a defect which made them susceptible to failure to hold or engage in park. Ford disputed this initial determination. The agency made no final determination, instead, then Secretary Goldschmidt entered into a settlement agreement with Ford which provided that Ford would notify owners of the agency's initial determination and furnish them with warning labels to remind drivers of precautions against the park-to-reverse problem. This settlement was upheld by the U.S. District Court for the District of Columbia, and this judgment was affirmed on appeal by the D.C. Circuit in 1982. In 1985, the Center for Auto Safety petitioned for a new investigation, and the petition was denied. The petitioners sought judicial review in the D.C. District Court, and their civil action was dismissed. This case is pending appeal. While there is no active investigation, the agency continues to monitor reports of park-to-reverse incidents.

QUESTIONS BY SENATOR DANIEL INOUYE

Question 1. In its report on the automobile gray market, the General Accounting Office stated: "The gray market program, as now operated by NHTSA and EPA, lacks sufficient internal controls to ensure that imported gray market vehicles as remodified to meet U.S. safety and emission standards. * * * GAO's analysis, as well as several government and industry surveys (although limited), suggest that substantial percentages of gray market vehicles approved by NHTSA and EPA do not conform to the federal standards." what is your agency's position with respect to these findings?

Answer. NHTSA is reviewing the GAO report and will prepare a detailed response to the recommendations. Upon completing our response, we will provide the Committee with copies.

Question 2. In its report, the GAO also stated that NHTSA should establish "a process similar to EPA's program, whereby firms are recognized by NHTSA, through certification, as being capable of modifying gray market vehicles." The GAO also recommended that "NHTSA should periodically reinspect these firms and consider testing a sample of modified vehicles as a check on the firm's standards." Does your agency at present have the statutory authority to implement these recommendations? If so, do you intend to implement them? If not, do you intend to recommend to the Committee proposed statutory language providing that authority?

Answer. In our view, NHTSA lacks the authority to certify importers on the basis of their capability to modify vehicles. We have authority to inspect an importer's facility and to determine the compliance of any vehicle which the importer has modified. If we determine that a vehicle does not comply, our remedy is to recommend that the Customs Service require the vehicle to be reexported, not to decertify the importer. We have conducted compliance tests on gray market cars, and will do so in the future. We do not need additional authority for such testing.

We supported legislation in the last Congress to give us the authority to register importers and to require that all vehicles be imported through these registered importers. Our purpose was to improve our supervision over the gray market and to clarify that the importers had the responsibility to remedy any defects in the cars they modified. We continue to support legislation to allow registration of importers for these purposes.

Question 3. In a letter dated June 13, 1986, to Mr. Karl-Heinz Faber, Vice President for Product Compliance and Service, Mercedes-Benz of North America, Inc., you stated: "[Many gray market problems] would be solved if the gray market program were restructured along the lines proposed in S. 863, which recently passed the Senate. . . . We support legislation that would concentrate the program on registered commercial importers, which should afford tighter supervision of the modification process." Does this accurately reflect the agency's present position? What, if any, additional provisions should be included in legislation we will be considering to ensure tighter supervision of the import process and that gray market vehicles meet all applicable Federal safety standards?

Answer. Our view is essentially the same as last year. Although we saw differences between the House and Senate bills which would cause us to prefer one over the other in some situations, the bills would have given us ample authority to exercise tighter supervision of the import process. One consideration not addressed in last year's bills, but suggested by the GAO report, would be to establish better coordination between the EPA and NHTSA import procedures.

Question 4. In your view, if given the right to import and modify noncomplying vehicles, should gray market firms bear the cost of establishing and operating a new gray market program?

Answer. Under the proposal we supported in the last Congress, registration fees would be charged to defray the cost to the taxpayers of administering the program. It continues to be our view that the importers should be assessed such fees.

QUESTIONS BY SENATOR JOHN DANFORTH

Question 1. Ford Air Bag Petition.—When do you expect to issue a final rule concerning the Ford air bag petition? Have you gotten commitments from the automakers that they will use the relief in the petition to install large number of air bags?

Answer. A final decision is expected before the end of March 1987.

General Motors has recently announced that it will equip about 500,000 of its model year 1990 and nearly 3 million of its model year 1992 cars with driver-side air bags. Ford has announced that it will equip between 500,000 and one million cars with driver-side air bags beginning in the 1990 model year. According to press reports, Chrysler is planning to produce 600,000 units with driver-side air bags in model year 1990.

Question 2. At the December 1986 Commerce Committee hearing you were asked whether the mandatory seat belt laws meet the passive restraint rule's criteria, thereby triggering the demise of the rule. You said you were examining the state laws and would be sending the governors letters evaluating their laws under the rule's criteria. You said this would happen in the "relatively near future." Where do we stand on this issue today?

Answer. We are completing our review of the state belt laws, in order to provide the states with our informal advice comparing the minimum criteria established in the July 1984 decision on occupant crash protection with the provisions of each state's safety belt use law. We expect to complete our work and provide that advice during the spring.

Question 3. Rear Seat Belts.—At the December 1986 hearing, you said you hoped you could put some sort of notice together on rear seat belts within a couple of months. Where do we stand on this?

Answer. NHTSA expects to issue a notice and request for comments on this issue by the spring of 1987.

Question 4. At last December's hearing, you said that you were working on a notice of proposed rulemaking on side impact protection. When will the notice be ready?

Answer. A Notice of Proposed Rulemaking is anticipated for this summer (1987).

Question 5. Exempting Convertibles from the Passive Restraint Rule.—On April 12, 1985, NHTSA issued a notice of proposed rulemaking under which convertibles would be permanently exempted from the passive restraint rule. Do you plan to follow through with a final rule?

Answer. The agency issued a final rule in October 1986, which provided an exemption for convertibles only during the phase-in period (i.e., until September 1, 1989). We expect to issue a final decision later this month (March 1987) on whether exemptions for convertibles should be permitted after the phase-in expires.

Senator GORE. I would like to call our first panel to the witness table: Mr. Clarence Ditlow, Executive Director of the Center for Auto Safety; Mr. Brian O'Neill, President of the Insurance Institute for Highway Safety; and Ms. Joan Claybrook, President of Public Citizen.

[Pause.]

Thank you very much for joining us this morning. We certainly appreciate your appearance here. As I mentioned to our first witness, your entire prepared statements will be included in the record in full, and I am going to ask you to summarize if possible.

We will begin with you, Mr. Ditlow. Welcome and please proceed.

STATEMENTS OF CLARENCE M. DITLOW, EXECUTIVE DIRECTOR, CENTER FOR AUTO SAFETY; BRIAN O'NEILL, PRESIDENT, INSURANCE INSTITUTE FOR HIGHWAY SAFETY; AND JOAN B. CLAYBROOK, PRESIDENT, PUBLIC CITIZEN

Mr. DITLOW. Thank you, Mr. Chairman. This hearing comes at a crucial time as traffic fatalities are once again on the rise after de-

clining from the high level of about 55,000 in the late 1960s before the first motor vehicle safety standards sharply reduced highway deaths.

Initial DOT estimates for 1986 report nearly 46,000 fatalities, an increase of 4 percent from 1985 and 10 percent from 1983. The increase is all the more ominous, as it comes at a time when mandatory seat belt use and stiffer drunk driving laws should be reducing fatalities even further. This increase is due in part to prior safety gains being eroded as the original safety standards become outmoded.

One of the most obvious safety failings of the past six years is the demise of the defect recall program. For every car or light truck recalled during the Reagan Administration, another car or light truck went unrecalled, even though DOT asked the manufacturers to recall the vehicle.

The backlog of defective vehicles has resulted in at least 20,000 accidents, 7,000 injuries and 500 deaths. The Center found 27 defect investigations in the past six years where DOT had asked for a recall but failed to get the recall sought. I would like to point out, contrary to what the administrator just stated, we had these investigations dragged on for so many years and there have been so many voluntary recall requests with no action that the car such as the 1980 GMX cars with loss of power brake assist are now about to run out the statute of limitations because of inaction by the agency.

The DOT is such a toothless tiger that it will not back up its recall requests with formal defect determinations and lawsuits, and the manufacturers refuse to recall without fear of any adverse consequences.

The refusal to order recalls for safety defects that are killing and injuring thousands of Americans cannot be judicially reviewed under recent federal district court decision despite the fact that Congress explicitly gave citizens the right to petition DOT to initiate defect investigations, and the agency had to respond within 120 days. This decision should either be overturned on appeal, which we are trying to do, or changed by Congress.

In the safety standard area, the most important measure to reduce traffic deaths is to get full front seat air bags installed in cars, light trucks and vans. Once these air bags are installed in all vehicles, they will save at least 12,000 to 15,000 lives per year.

The DOT's recent exemption of convertibles from the passive restraint standard we think is totally aggregious, and it should be changed as soon as possible either by Congress or by DOT itself. Convertibles are less safe than the comparable sedan, as demonstrated by DOT's crash test program, and they need air bags to make them safer.

Rear shoulder belts is another area where the Congress should move forward if the Department of Transportation does not. The 1986 NTSB report detailing the relative inadequacy of lap belts came as no surprise to experts who have long known that shoulder/lap belts are far superior to lap belts alone.

The Center first petitioned DOT to require shoulder/lap belts for rear seats in 1974, and the only surprise from the NTSB report is the failure since then to forge a united front in getting rear shoul-

der belts into all new cars as standard equipment and making them available with retrofits to all motorists who want them installed in their cars as soon as possible.

In light truck safety area, even though vans and light trucks are used to carry families for recreational purposes, they do not have to meet such major safety standards as side impact, roof strength, head restraints, bumper protection, passenger restraints and high-mounted brake lights. Although passenger car occupant deaths decreased from nearly 26,000 in 1975 to 23,000 in 1985, an 11 percent decrease, light truck deaths during that same time period climbed from just a little over 4,000 to 5,700, a 33 percent increase.

Now when less stringent safety standards were first set for vans and pickups in the late 1960s, there may have been some reason, since they weighed substantially more than passenger cars and were not used for the same purposes. Since then, these vehicles have shrunk in size, and they are used for the same purpose as passengers cars and should be subject to the same standards.

On side impact protection, which is the last major safety area I will touch on, in 1985 7,300 or 32 percent of the 23,000 car occupant deaths occurred in side impacts. In 1980, 7,600 or 28 percent of the 27,000 car occupant deaths occurred in side impacts. We see an increase in side impact deaths. We think that this increase is due in large part to the weakness of side impact standard, and DOT has long known of this weakness. It should complete its work as soon as possible to issue an advanced side impact standard, and Congress should give it a deadline because we have seen too many delays already.

Final observations in other safety measure areas which should be included in any comprehensive NHTSA reauthorization bill are criminal penalties, mandatory tire registration, removing the $800,000 ceiling on civil penalties, requiring DOT to issue pedestrian protection standards, rollover standards, requiring new car assessment program crash test results to be posted on motor vehicles, requiring motorcycle helmet use, and mandating the study of the effectiveness of periodic motor vehicle inspection with rulemaking required to mandate such programs if the study finds them effective.

Thank you.

[The statement follows:]

STATEMENT OF CLARENCE M. DITLOW III, DIRECTOR, CENTER FOR AUTO SAFETY

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to testify on vehicle safety oversight. The Center for Auto Safety is a non-profit organization founded by Consumers Union and Ralph Nader in 1970 but is now independent of both. The Center works to improve vehicle and highway safety.

This Committee's oversight comes at a crucial time in vehicle safety as traffic fatalities are once again on the rise after declining from their high level of about 55,000 in the late 1960's before the first federal motor vehicle and highway safety standards sharply reduced highway deaths. Initial DOT estimates for 1986 report nearly 46,000 fatalities, an increase of 4% from 1985 and 10% from 1983.

This increase is all the more ominous as it comes at a time when mandatory seat belts use and stiffer drunk driving laws should be reducing fatalities even further. Prior safety gains are being eroded as the original vehicle standards become outmoded, highway speeds increase, vehicle safety enforcement programs become lax, and more passengers ride in light trucks and vans which do not have to meet passengers car safety standards.

SAFETY DEFECTS AND RECALLS

One of the most obvious safety failings of the past six years is the demise of the defect recall program. For every car or light truck recalled during the Reagan Administration, another car or truck went unrecalled even though the Department of Transportation asked the manufacturers to recall the vehicles. The backlog of defective vehicles has grown to 70 million and has resulted in at least 20,000 accidents, 7,000 injuries and 500 deaths. A Center study of DOT's recall program found 27 defect investigations in the past six years where DOT had asked for a recall but failed to get the recall sought. These cases include:

1982-85 General Motors "A" cars *rear brake lockup;* 2.5 million front-wheel drive cars; 2,000 complaints, 50 injuries, 1 death. Date of request: 1-85. Investigation status: pending.

1977-84 Ford 350 series trucks and vans, *dual rear wheels fall off;* 456,500 vehicles; 2,000 complaints, 240 accidents, 115 injuries, 3 deaths. Date of requests: 7-5-79, 10-31-84 (case dropped 9-20-83, then reopened). Investigation status: pending

1980 GM "X" cars, *loss of power brakes;* 1 million cars; 1,000 complaints, 100 accidents, 30 injuries. Date of requests: 8-12-83, 7-24-84. Investigation status: pending.

1979 Ford Mustang/Capri, *rear brake lockup;* 450,000 cars; 100 accidents, 40 injuries, 7 deaths. Date of requests: 3-30-83, 11-3-83. Investigation status: pending.

1981-83 GM "C" & "E" luxury Cadillacs, Oldsmobiles & Buicks; *door fires;* 1 million cars; 48 fires, 2 injuries. Date of request: 9-4-85. Investigation status: pending.

1981-82 Ford Escort/Lynx, *front seats fall backwards;* 1.2 million cars; 5 accidents, 18 injuries. Date of requests: 11-1-83, 5-23-84. Ford recalled only 80,000 of the 1.2 million cars. Investigation status: pending.

1978-82 Chrysler K-cars & Omni/Horizon with 1.7 & 2.2 liter engines, *stalling;* 1.6 million cars; 17 accidents, 2 injuries. Date of request: 5-12-83. Investigation status: case dropped in 1984; reopened after CAS petition; closed again 12/86.

1981-84 GM Chevrolet Chevette & Pontiac T1000, *crankshaft pulley bolt breaks off* (loss of power steering & brake assist); 156,000 cars; 9 accidents, 4 injuries, 1 death. Date of request: 5-9-86. Investigation status: pending.

1982-83 Toyota Cressida, *sudden acceleration;* 72,000 cars; 40 accidents, 10 injuries, 1 death. Date of requests: 2-28-86, 5-6-86. Investigation status: pending.

1985 GM A,C,G,F & N cars, *windshield wiper failure;* 3 million cars; 4000 complaints, 7 accidents, 1 injury. Date of request: 9-5-86. Investigation status: pending.

Recalls reflect the lax enforcement policy in averaging 200 per year for the last six years versus the average of 300 from 1971-80. Recalls are also down because investigations into defects continue to plummet with only one formal defect investigation opened in 1986, the lowest in the history of the Department of Transportation. Including mid-level Engineering Analyses, the number of investigation opened from 1981-86 averaged 43 per year versus 138 from 1977-80.

Since DOT is a toothless tiger that will not back up its recall requests with formal defect determinations and lawsuits to compel a recall, manufacturers can refuse to recall without fearing any adverse consequences. The only lawsuit which DOT filed to force a recall came in the case of brake lockup in GM X-cars only after two House hearings, two General Accounting Office reports and front-page newspaper stories questioning DOT's inaction in the face of the mounting deaths, injuries and accidents from this defect.

DOT's refusal to order recalls for safety defects that are killing and injuring thousands of Americans cannot be judicially overturned under a recent federal district court case, *Center for Auto Safety* v. *Dole,* Civ. No. 85-2861 (D.D.C. April 16, 1986). Despite the fact Congress gave citizens the right to petition DOT to initiate defect investigations and required the agency to respond within 120 days, the Court held DOT's decisions were not subject to judicial review and effectively vitiated the statutory right to petition. Moreover, the decision eliminated an effective check on DOT's discretion to ignore safety defects which had existed since 1971 when the same district court forced DOT to reopen its defect investigation into Kelsey-Hayes wheels after a citizen lawsuit. Although the present decision is being appealed, Congress should amend Section 124 of the Safety Act to clarify that denials of citizen petitions are judicially reviewable under the standards set down by the Administrative Procedure Act.

PASSIVE RESTRAINTS

The most important measure to take to reduce traffic deaths is to get full front-seat airbags installed in cars, light trucks and vans. Once air bags are installed in all these vehicles, they will save 12-15,000 lives per year. Even with the choice of airbags and automatic belts under the passive restraint standard, public demand

will lead to airbags dominating the market. According to a recent Newsweek poll of 15,475 1986 new car buyers, 87% believe "airbags should be standard equipment on all new cars." Market research done by GM throughout the 1970's showed the majority of the American public prefer airbags to other forms of occupant restraints. A 1979 GM survey found 70% preferred airbags to three different systems of automatic belts. The reason why the airbag will dominate the market and why the auto industry didn't win the regulatory war is simply the lifesaving airbag is too good a technology to kill.

CONVERTIBLES

DOT's recent exemption of convertibles from the passive restraint requirement on the ground that this requires airbags and would be too expensive is totally unjustified. First, convertibles are sold at a premium far in excess of the price of the comparable sedan. The cheapest incremental price for a convertible is $2,500 with the moderate Alliance convertible costing $3,895 more than the sedan while luxury GM convertibles such as the Buick Riviera costing an incredible $10,750 more than the sedan. Even if the price for airbags were set at $800 (far more than cost), there would be no deterrent to sales.

Adding airbags to convertibles could actually boost sales because they would demonstrably increase their safety. In fact, convertibles have not had a meaningful improvement in occupant protection since 1965 when lap belts became standard equipment. DOT's 35 MPH crash test program fully demonstrates the need for safety improvements in convertibles as they score much worse than their sedan counterparts when tested.[1]

REAR SHOULDER BELTS

The 1986 National Transportation Safety Board (NTSB) report detailing the relative inadequacy of lap belts came as no surprise to experts who have long known that shoulder/lap belts are far superior to lap belts alone. The Center's first petitioned DOT to require shoulder/lap belts for rear seats in 1974 and has continued to call for them ever since based on regular reports to us of individuals who have been seriously injured in rear seats of cars while wearing lap belts. Even General Motors' studies show that lap belts are only 7-18% effective in preventing fatalities as compared to 41% for shoulder/lap belts.

The only surprise from the NTSB is the failure since then to forge a united front in getting rear shoulder belts into all new cars as standard equipment and making them available as retrofits to all motorists who want to install them in cars which came without them. Seven months after the NTSB report, DOT still has not issued a notice of proposed rulemaking to require rear shoulder belts. Although most car companies have said they will install rear shoulder belts in future new cars, their plans are neither certain nor as fast as a Federal regulation. Finally, there has been little visible movement to making retrofits and information on how to install them available to the large numbers of consumers who want shoulder harnesses in their present cars.

LIGHT TRUCK SAFETY

The public is almost totally unaware of the fact that vans and pickups do not have to meet the same safety standards as cars and stationwagons. Even though these vehicles are used to carry families and recreation, they do not have to meet such major safety standards as side impact, roof strength, head restraints, bumper protection, passive restraints and high-mounted brake lights. Although passenger car occupant deaths decreased from 25,929 in 1975 to 23,192 in 1985 (an 11% decrease), light truck deaths increased from 4,332 to 5,767 (a 33% increase) during the same time period. More stringent safety standards would have offset some of this increase.

Consumers want the same safety standards for their vans and pickups as for cars. The Center has received many complaints from the public about the lack of adequate safety in these vehicles. For example, David Swan of Pasadena wrote Chrysler President Lee Iacocca after leasing a 1986 Plymouth Voyager "represented as a family vehicle."

"I find the promotion and marketing of these vehicles in the United States by Chrysler Corporation to use as a passenger vehicle in 1986 which are substandard in

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[1] The Center's price and crashworthiness of convertibles is contained in the comment to DOT's FMVSS 208 rulemaking docket.

terms of safety to be one of the most cynical and deadly decisions made since the Ford Pinto was marketed.

"I would like to be able to turn this unsafe vehicle into my local dealer and tear up the lease contract."

When less stringent safety standards were first set for vans and pickups in the late 1960's, there may have been some reason for exemption from some standards since they weighted substantially more than passenger cars and were not used for the same purposes. Since then, these vehicles have shrunk in size and are used for the same purpose as passenger cars. In the early 1970's, the Center petitioned DOT to extend all passenger safety standards to these vehicles without success.

In 1978, the General Accounting Office issued a stinging report entitled "Unwarranted Delays by the Department of Transportation to Improve Light Truck Safety" which pointed out light trucks had become increasingly popular and the number of people killed in them had increased. GAO specifically noted light truck occupants fared worse in crashes than occupants of cars and called on DOT to impose passenger car standards on these vehicles. Although DOT extended some additional safety standards to light trucks after the GAO report, the major ones noted above were not adopted even though DOT indicated it would do so in its 5-year program plan in 1979.

SIDE IMPACT PROTECTION

In 1985, 7,352 or 32% of the 23,192 car occupants deaths occurred in side impacts. In 1980, 7,671 or 28% of the 27,433 car occupant deaths occurred in side impacts. This increase in the percentage of occupants killed in side impacts can be attributed to the inadequacy of the side impact standard which dates back to 1973 cars. Since the standard depends upon the weight of the car and requires less side strength for lighter cars, it requires less protection for cars which need more protection. DOT has long recognized this weakness and has completed all the work necessary to issue an advanced side impact standard which requires highly effective dynamic testing. Congress should simply mandate that DOT complete the job and issue a dynamic side impact standard within one year to be effective two years thereafter.

5-MPH BUMPERS

One of the most popular vehicle standards ever issued by DOT was requiring bumpers that permitted no damage to the car or the bumper in a 5-MPH collision into a wall. Although this standard took effect in 1978 and saved consumers nearly a half-billion a year, DOT rolled the standard back to 2.5 MPH for 1983 models. Although consumers were promised better fuel economy, lower car prices and a new rating system to tell good bumpers from bad ones, the only thing consumers ever got was large repair bills for accidents at speeds no faster than a toddler walks. One of the best things this Congress could do would be to remandate 5-MPH bumpers for not only cars but also light trucks and vans which do not have to meet any bumper standard.

TIRE REGISTRATION

Another program which should be reinstituted is mandatory tire registration to ensure that defective tires are replaced when they are recalled. When a tire is defective, its failure is prone to lead to an auto accident. Yet if the tire is not registered with the manufacturer, the consumer is unlikely to get any notice of its recall and risks an accident everytime the car is driven. When the infamous Firestone 500 was recalled in 1978, the overall replacement rate was about 40% with franchised dealers who had registered the tires being much higher and independent dealers who had not effectively registered the tires being as low as 2.4%.

Under the present voluntary registration system, less than 10% of tires sold through independent dealers are registered. This deprives consumers of direct notification from the tire manufacturer in the event of a recall and subjects them to the risk of an accident. The answer is to statutorily mandate a tire registration system in which the tire company pays the small cents per tire cost and the paperwork is reduced by having a uniform registration form which can be sent to a central address.

OTHER SAFETY MEASURES

Other safety measures which should be in a comprehensive NHTSA authorization bill include: criminal penalties for knowing and willful violations of safety standards and refusal to recall; removing the $800,000 ceiling on civil penalties under the

Safety Act to be in line with the Clean Air Act which has not ceiling for violation of vehicle emission standards; requiring DOT to issue pedestrian protection standards in view of the 8,000 pedestrian who are killed yearly; requiring DOT to issue roll-over standards for motor vehicles based on the petition to DOT by Senator Wirth; requiring New Car Assessment Program crash test results to be posted on new vehicles; requiring motorcycle helmet use; and mandating a study of the effectiveness of periodic motor vehicle inspection with rulemaking required to mandate such programs if the study finds them effective.

Senator GORE. Thank you very much. I appreciate that.

Our next witness is Mr. Brian O'Neill, President of the Insurance Institute for Highway Safety. Please proceed.

Mr. O'NEILL. Thank you, Mr. Chairman.

In the 20 years since the National Traffic and Motor Vehicle Safety Act and the Highway Safety Act were passed, we have come a long way. Federal regulations implemented since then have saved thousands of lives and continue to do so every year they are in effect. In fact, it is hard to think of a single area in which Federal regulation has been as successful as it has with respect to highway safety.

The most recent instance of progress has to do with protecting drivers and front seat passengers in frontal crashes. We are finally seeing seat belt laws enacted in more and more states, and belt use rates are increasing accordingly.

Equally good news is the progress towards air bags. Six auto manufacturers now or soon will equip their 1987 cars with standard or optional air bags. Other manufacturers will follow suit in 1988, and by 1991 we can expect millions of new cars with air bags, not just driver side air bags but passenger side ones, too. NHTSA should do everything possible to keep this progress on track. It should especially avoid any controversy that would upset present plans for equipping cars with air bags.

After frontal crashes, the next most frequent kind that causes death and serious injury is side impacts. Because of universal agreement that the side door strength standard—Federal Motor Vehicle Safety Standard Number 214—is inadequate. NHTSA began rulemaking almost a decade ago to upgrade the performance in side impacts, but in 1982 the agency terminated this rulemaking, stating as its excuse that "a substantial amount of research remains" and that further rulemaking would not begin for at least one year. It has been five years, and we are still waiting.

There has been a lengthy debate about developing the most appropriate dummy for side impact testing. We heard this morning that the dummies are still causing delays. There has been equally extensive discussion of dynamic versus static testing. Most of the work on these issues is helpful and important, but enough of it has been done now to upgrade the standard, and NHTSA should begin rulemaking immediately.

What about NHTSA's often promised but never delivered bumper ratings program? When the agency rolled back Federal bumper requirements from 5 miles per hour to 2.5 miles per hour in 1982, it said the marketplace should determine what kind of bumpers new cars would have. If consumers wanted 5 miles per hour bumpers, the agency said, competition among car manufacturers would insure their availability and that NHTSA's promised

bumper rating program would help that marketplace operate efficiently.

That has not happened. Consumers are finding it difficult to choose cars with superior bumpers because in most cases manufacturers are not publicizing the level of protection their bumpers provide. Some are putting the 5 mile per hour label on bumpers that do not live up to that billing, and the situation is confused by the absence of an agreed-upon definition of a 5 miles per hour bumper. Meanwhile, NHTSA's rating program is nowhere in sight.

Another area in which action by NHTSA is sorely needed involves light trucks and mini vans. Last December NHTSA Administrator Diane Steed noted the growing share of the market being claimed by light trucks and vans and told the Senate Commerce Committee that the agency is engaged in a review of the whole issue of their safety. She said the study focuses on individual vehicles because some light trucks may be less safe than others. Some might require regulation, she said, and others might not.

This is one way of going about the regulatory process, but it is not very efficient. First, NHTSA should undertake the basic task of redefining vehicle groups for regulatory purposes. Back in the 1960s, the agency defined a number of vehicle classes, among which were light trucks and multipurpose passenger vehicles. Since then, these vehicles have changed. Their use patterns have changed to much that NHTSA's definitions and classifications are out of date. Light trucks are smaller and less protective of their occupants than they used to be, and they are being used in most cases just like passenger cars.

Nine years ago, the General Accounting Office issued a report with a meaningful title, "Unwarranted Delays by the Department of Transportation to Improve Light Truck Safety". If those delays were unwarranted in 1978, they are doubly so today. Some multipurpose passenger vehicles should immediately be reclassified as passenger cars. In addition, the classification of all small vehicles sold primarily for personal transportation should be reexamined, and a reasonable timetable should be set for them to meet all of the passenger car safety standards or appropriate equivalents.

This morning, Administrator Steed said that the safety of many of these vehicles is equivalent to passenger cars so there may not be a need for rulemaking. Even if that is true now, it will not be true when all passenger cars have automatic restraints. NHTSA has not hinted at any sort of timetable for automatic restraints for light trucks and multipurpose passenger vehicles.

NHTSA also needs to move quickly on the related problem of vehicle rollovers. Compared to large automobiles, the occupant death rate is five times worse in small utility vehicles primarily because many of them are likely to roll over. Small pickup trucks are also disproportionately involved in rollover crashes.

Representative Timothy Wirth last year petitioned the agency "to immediately open proceedings to insure the safety of thousands of Americans who own jeep-type vehicles which are unusually prone to roll over." That rulemaking should happen as quickly as possible. In fact, NHTSA should act in all of the areas I have enumerated, side impact protection, rollover protection, light trucks and bumper ratings, as soon as possible.

Thank you.
[The statement and questions follow:]

STATEMENT OF BRIAN O'NEILL, PRESIDENT, INSURANCE INSTITUTE FOR HIGHWAY SAFETY

The Insurance Institute of Highway Safety is a nonprofit research and communications organization that identifies and develops ways to reduce motor vehicle crashes and their losses. We are supported by the nation's property and casualty insurers. At this subcommittee's request, I am submitting for the record information about the status of rulemaking on automobiles by the National Highway Traffic Safety Administration (NHTSA).

In the 20 years since the National Traffic and Motor Vehicle Safety Act and the Highway Safety Act were passed, we've come a long way. Federal regulations implemented since then have saved thousands of lives and continue to do so every year they are in effect. In fact, it's hard to think of a single area in which federal regulation has been as successful as it has with respect to highway safety.

OCCUPANT PROTECTION IN FRONTAL CRASHES

The most recent instance of progress has to do with protecting drivers and front-seat passengers in frontal crashes. More than half of all highway deaths and serious injuries involve front- and front-angle crashes—the kind in which lap/shoulder belts and air bags are especially effective. Extensive research indicates that the best protection against death and serious injury in frontal crashes is the combination of a safety belt and an automatic air bag.

Good news is that we're finally seeing belt use laws enacted in more and more states, and use rates are increasing accordingly. Equally good news is the progress toward air bags. Six auto manufacturers now, or soon will, equip their 1987 cars with standard or optional driver-side air bags. Other manufacturers will follow suit in 1988 and, by 1991, we can expect millions of new cars with air bags—not just driver-side air bags but passenger-side ones, too. NHTSA should do everything possible to keep this progress on track. It should especially avoid any controversy that would upset present plans for equipping cars with air bags.

These plans still depend on NHTSA amending Federal Motor Vehicle Safety Standard (FMVSS) 208 to permit driver-side air bags beyond 1989. Without this amendment, air bags are likely to be used in many fewer cars and only in relatively expensive ones. To avoid such a circumstance, final action on the amendment is needed as soon as possible. NHTSA should also address, as soon as possible, the issue of when covertibles will be required to comply with FMVSS 208. (They are exempt during the 1987-89 phase-in.) Unless NHTSA resolves this quickly, manufacturers won't have enough lead time to meet the 1989 deadline, and automatic restraint requirements for convertibles will be delayed beyond the phase-in period.

SIDE IMPACT PROTECTION

After frontal crashes, the next most frequent kind that causes death and serious injury is side impacts. Because of universal agreement that the side-door strength standard, FMVSS 214, is inadequate, NHTSA began rulemaking almost a decade ago to upgrade performance in side impacts. But in 1982, the agency terminated this rulemaking, starting as its excuse that "a substantial amount of research remains" and that further rulemaking wouldn't begin for "at least one year." It's been five years, though, and we're still waiting. There's been lengthy debate about developing the most appropriate dummy for side impact testing. There's been equally extensive discussion of dynamic versus static testing. Most of the work on these issues is helpful and important, but there's enough of it now to upgrade the standard, and NHTS should do so.

BUMPER RATINGS

And what about NHTSA's often-promised but never-delivered bumper ratings program. When the agency rolled back federal bumper requirements from 5 mph to 2.5 mph in 1982, it said the marketplace should determine what kind of bumpers new cars would have. If consumers wanted 5 mph bumpers, the agency said, competition among car manufacturers would ensure their availability, and NHTSA's bumper ratings program would help the marketplace operate efficiently.

But that hasn't happened. Consumers are finding it difficult to choose cars with superior bumpers because, in most cases, manufacturers aren't publicizing the level

of protection their bumpers provide. Some are putting the "5 mph" label on bumpers that don't live up to their billing. This situation is confused by the absence of an agreed-upon definition of a 5 mph bumper. Meanwhile, NHTSA's ratings program is nowhere in sight.

Just last week, the Insurance Institute of Highway Safety released the results of our latest series of low-speed crash tests. We tested 22 popular midsize cars and found damage totals ranging from $419 to $2,030 in the same four tests at 5 mph. One car was a standout: Chevrolet's Corsica, which had by far the lowest damage total, was designed from the beginning with consideration toward preventing low-speed crash damage. This is useful and interesting information, but the Institute's crash test program involves only a handful of cars each year. We cannot test every model every year and publicize the results widely enough to give car buyers all the information they need to seek out cars with superior bumpers. It's NHTSA's job to implement a comprehensive ratings program and require car manufacturers to put bumper performance information on new-car stickers.

The Motor Vehicle Information and Cost Savings Act of 1972 called for the agency to initiate such a program, and NHTSA promised in 1982 to do so, saying it would give consumers "independent confirmation of manufacturers' bumper performance claims." The agency promised to help consumers toward "purchasing decisions based on the most accurate information available. In this way," NHTSA further promised, "maximum marketplace freedom for informed selection . . . would be encouraged." But despite all these promises, no ratings program was initiated in the 1970s. Nor has it materialized in the 1980s. Why? I don't know, but there's no excuse good enough to warrant further delay.

LIGHT TRUCKS AND MINIVANS

Another area in which action by NHTSA is sorely needed involves light trucks and minivans. Last December, NHTSA Administrator Diane Steed noted the growing share of the market being claimed by light trucks and vans and told the Senate Commerce Committee that the agency is engaged in a review of the whole issue of their safety. She said the study focuses on individual vehicles because some light trucks may be less safe than others. Some might require regulation, she said, and others might not. This is one way of going about the regulatory process, but it's not very efficient. First, NHTSA should undertake the basic task of redefining vehicle groups for regulatory purposes.

Back in the 1960s, the agency defined a number of vehicle classes, among which were light trucks (less than 10,000 pounds and designed for carrying cargo) and multipurpose passenger vehicles (either built on a truck chassis or having special features for off-road use). Since then, these vehicles have changed. Their use patterns have changed so much that NHTSA's definitions and classifications are out of date.

Light trucks are smaller and less protective of their occupants than they used to be. They're being used in most cases just like passenger cars. Many of today's so-called multipurpose passenger vehicles are actually minivans designed to compete with station wagons. Chrysler, for example, advertises its minivan as "the station wagon of the future," "the best family wagon in America," and tells drivers of Dodge Caravans and Plymouth Voyagers, you'll "feel more like you're driving a car."

These vehicles are not being used any differently than station wagons. They aren't being used off-road. And they aren't trucks. So it's difficult to see how they could be classified as multipurpose passenger vehicles, even under 1960s definitions.

Auto manufacturers apparently have a great deal of freedom in deciding how their vehicles will be classified. The result is that some are essentially passenger cars, but they don't have to meet all of the safety standards for cars because manufacturers don't classify them as such and NHTSA uses out-of-date definitions for regulatory purposes.

Nine years ago, the General Accounting Office issued a report with a meaningful title, "Unwarranted Delays by the Department of Transportation to Improve Light Truck Safety." If those delays were unwarranted in 1978, they're doubly so today. So-called multipurpose passenger vehicles built on car chassis should immediately be reclassified as passenger cars because they don't meet even the 1960's definition of multipurpose. In addition, the classifications of all small vehicles predominantly used on the highways should be re-examined in the context of today's and tomorrow's vehicles, and a reasonable timetable should be set for them to meet passenger car safety standards or appropriate equivalents.

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VEHICLE ROLLOVER

NHTSA also needs to move more quickly on the related problem of vehicle rollovers. Compared to large automobiles, the occupant death rate is five times worse in small utility vehicles, primarily because many of them are likely to roll over. Small pickup trucks are also disproportionately involved in rollover crashes.

NHTSA has known about this problem since at least 1971 when its administrator refused, because of stability problems, to let the army sell surplus M-151 vehicles to the public. The Insurance Institute for Highway Safety published a very well-known report in 1980 about the stability problems of Jeep CJ-5s. Filmed test results showing the propensity of these vehicles to roll over were publicized throughout the country. More recently, a study by A.B. Kelley and Leon Robertson underscores the need for NHTSA to take action to prevent rollovers. Representative Timothy Wirth has petitioned the agency to "immediately open proceedings to ensure the safety of the thousands of Americans who own Jeep-type vehicles which are unusually prone to roll over." So the evidence is clear—the death rate because of rollover is very high in many small utility vehicles and light trucks. Although the Jeep CJ-5 isn't on the market anymore, several vehicles with high centers of gravity and narrow track widths are still being sold, new models are being introduced, and NHTSA should immediately begin rulemaking in this area.

In fact, NHTSA should act in all of the areas I've enumerated—side impact protection, rollover protection, light trucks, and bumper ratings. The evidence overwhelmingly points to the need for new or upgraded standards, but the agency has been neglectful. It has said either that the relevant issues are still being studied or that it has concluded further rulemaking isn't warranted. Either way, the result is costly inaction that should be corrected as soon as possible.

INSURANCE INSTITUTE FOR HIGHWAY SAFETY,
Washington, DC, March 13, 1987.

Hon. ALBERT GORE, Jr.,
Consumer Subcommittee Chairman, U.S. Senate, Committee on Commerce, Science, and Transportation, Washington, DC.

DEAR SENATOR GORE: Enclosed are the Insurance Institute for Highway Safety's response to the written questions posed by you and Senator Danforth following the hearings on March 6, 1987. If you would like further information or clarification of any of these responses, please do not hesitate to let me know.

Sincerely,

BRIAN O'NEILL, *President.*

Enclosure.

QUESTIONS BY SENATORS ALBERT GORE AND JOHN DANFORTH AND ANSWERS BY THE INSURANCE INSTITUTE FOR HIGHWAY SAFETY

Question. After a consumer has been in an auto crash, will his car be brought back to the same level of safety after it is repaired as before the accident? For example, if a car had a five-mile-an-hour bumper or anti-lacerative windshields, will the consumer's insurance policy pay for restoring those safety features on the car?

Answer. Although the Insurance Institute for Highway Safety (IIHS) is supported by the nation's property and casualty insurers, it is a nonprofit research and communications organization. We are not in the business of insurance nor do we publish information about insurance prices, rates, premiums, discounts, or practices. However, it is our understanding that most (if not all) insurers will repair a damaged car to its previous condition before the accident.

Question. Although the total number of fatalities increased in 1986, isn't it true that the rate per mile driven has remained about constant?

Answer. For a variety of reasons, the death rate per mile traveled has steadily decreased since the late 1940s. This pattern has occurred not only in the United States but also in most other industrialized nations. Therefore, the death rate per 100 million miles (2.47 in 1955) is not necessarily the best measure of motor vehicle safety progress of problems. Nor is the yearly total of fatalities the best measure. A better way to gauge progress—or problem areas—in motor vehicle safety is by looking at changes in certain kinds of deaths. For example, deaths in tractor-trailer crashes have been increasing in recent years, indicating the safety hazards of big rigs.

Question. Does it appear to you that the auto industry no longer opposes, as it did for 20 years before, passive restraints? Why has their attitude changed?

Answer. Some auto manufacturers, but not by any means the whole industry, appear to have developed more positive attitudes toward air bags. Why? Not the least of the reasons is the growing realization that occupants wearing safety belts can and do sustain serious injuries, especially to their heads and faces, in moderate and high speed frontal crashes. There's more widespread acceptance now than before that air bags are needed in addition to seat belts for two main reasons: They provide an extra margin of protection to the heads and faces of occupants who wear belts. They also protect unbelted occupants in frontal crashes. (There will be plenty of non-belt wearers, even under safety belt laws.)

Question. Did your organization support or oppose the referenda in Massachusetts and Nebraska to repeal the safety belt laws? How did you manifest that support or opposition? If you were neutral on the issue, why didn't you take a position?

Answer. Because of IIHS's nonprofit tax-exempt status, we can become involved in legislative issues only when officially requested to provide information on the issues being debated. Our considerable research findings on the benefits of safety belt use laws were made available in Massachusetts and Nebraska, just as they were in other states around the nation.

Question. Could insurance companies notify consumers about recalls outstanding on their cars when they send annual insurance policy renewals?

Answer. IIHS is not involved in the business of insurance (see response #1 above). It is possible that some companies could notify consumers about recalls. Others, because of the way their data processing systems are set up, could not.

Question. At the Commerce Committee's December 1986 NHTSA hearing we heard evidence that light trucks are not covered by a number of passenger car safety standards. I [Senator Danforth] have introduced legislation that would require NHTSA to require head restraints, minimum roof crush resistance, high center mounted brake lights and either air bags or automatic seat belts for light trucks. What do you think of this proposal?

Answer. As noted in IIHS's statement of December 11, 1986, we agree there should be "a reasonable timeable for all vehicles [including especially light trucks] to meet passenger car safety standards or appropriate equivalents. This way, all occupants will be assured of equivalent levels of minimum safety protection regardless of the technical definitions of the vehicles in which they're traveling." IIHS has petitioned the National Highway Traffit Safety Administration (NHTSA) to take these steps and hope they will be initiated very soon.

Question. Do you agree with my [Senator Danforth's] legislative proposal to require lap/shoulder belts in the rear seats of all newly manufactured cars?

Answer. Equipping rear seats with lap/shoulder safety belts is long overdue. As noted in IIHS's statement before the Commerce Committee on December 11, 1986, "Automakers have been required to provide the anchors for rear shoulder straps since 1972, and a number of import manufacturers including Audi, BMW, Mercedes-Benz, Peugeot, Saab, and Volvo have for some time equipped their cars with lap/shoulder belts in the rear seat. How domestic automakers are announcing plans to follow suit." These plans are welcome but, to ensure that all automakers follow suit, a federal standard is essential.

Question. NHTSA reports that during the firse eleven months of 1986 highway fatalities were up 4 percent over the same period in 1985. What do you think are the most important things the Congress and NHTSA can do to stop this trend?

Answer. In the short term, Congress and NHTSA should do everything possible to increase safety belt use. This includes encouraging belt use laws and other measures. NHTSA should also move very quickly to amend Federal Motor Vehicle Safety Standard (FMVSS) 208 to permit driverside air bags beyond 1989. Without this amendment, air bags are likely to be used in many fewer cars and only in relatively expensive ones. To avoid such a circumstance, final action on the amendment is needed as soon as possible. NHTSA should also address, as soon as possible, the issue of when convertibles will be required to comply with FMVSS 208. (They are exempt during the 1987–89 phase-in.) Unless NHTSA resolves this quickly, manufacturers won't have enough lead time to meet the 1989 deadline, and automatic restraint requirements for convertibles will be delayed beyond the phase-in period.

In addition, Congress should move as quickly as possible to require NHTSA to implement long-overdue big truck safety improvements including on-board recording devices, anti-lock bracks, and effective rear underride gruards. These are some of the many areas of big truck safety in which European regulations are greatly superior to those in the United states. Our own regulations should be brought up to the state of 1980's technology as soon as possible.

Another important issue is the speed limit. If Congress decides to let states raise the 55 mph speed limit to 65 mph on some rural highways, such a policy should be

conditioned upon high levels of observed safety belt wearing and enactment of motorcycle helmet use laws—both measures that would help offset the certain increase in highway deaths because of the raised speed limit. Congress should even consider allowing motorists to travel up to the higher speed limit only if car occupants are wearing belts and cyclists are wearing helmets.

Question. In last year's NHTSA legislation and in S. 516, I [Senator Danforth] proposed to authorize the Secretary to reprogram up to $20 million in unspent highway funds for air bag and seat belt education. Do you support this proposal?

Answer. A tremendous amount of federal money has already been spent on safety belt education. This job may, in fact, be largely complete because most people now know that safety belts save lives. Reasons for nonuse of belts aren't likely to change because of continued education on this subject. A more important area in which to concentrate federal money for education is automatic restraints. Many people still don't know enough about air bags and automatic safety belts—educating them aobut these lifesaving technologies would be a far better use of NHTSA's funds.

Senator GORE. Thank you very much.

The final witness on this panel is Ms. Joan Claybrook, the President of Public Citizen. Welcome and please proceed.

Ms. CLAYBROOK. Thank you, Senator. I would like to make just quick comments on the testimony by Diane Steed.

First of all, I would urge you to ask her for evidence that giving consumers more than one number on crashworthiness is going to confuse them. I think there is no evidence of that at all. Indeed, the agency proposed in 1981 to have the crashworthiness ratings put on the windshield sticker of the vehicle so that when people look at the price they can also look at the crashworthiness ratings. I think that all of the studies that have been done show consumers want that.

Secondly, on the side impact issue——

Senator GORE. Let me say before you go on that I am a strong advocate of giving consumers more information in order that the natural forces of the marketplace will push the industry toward safety.

Although I recognize Ms. Steed's concern about overloading consumers with too much information, and I think in extreme cases that can indeed occur. However, I would note that we have two numbers for mileage efficiency now instead of one, in recognition that one number would not be sufficient.

Please continue.

Ms. CLAYBROOK. Well, I was just going to say that in addition, in the Car Book that was published by the agency, the only time it did it, in 1980, we made an assessment, and we said good, bad or moderate. So it is possible for even the experts to give some kind of overview statement on the values that are presented.

I think that there are two or three important things which I would like to say. I do not want to repeat the testimony of my colleagues here. The first is I think this has been one of the most successful government programs ever created. If you look at the number of lives saved, and the estimate is at least 130,000 lives, if you look at the number of injuries mitigated, it is a major public health program in America, and yet it is looked upon in terms of the allocation of resources in a very negative manner.

So I would urge that you look at the authorization numbers and try to also set particular deadlines for performance of the agency's activities, particularly the side impact standard which has dragged on and on and on.

Senator GORE. Hold on just one second. I do not mind an occasional interruption, but someone has some kind of walkie-talkie in here.

VOICE. What that is, Senator, is this room tends to pick up some kind of taxicab transmission.

Senator GORE. That is sort of appropriate, I guess. We will just try to keep going.

Ms. CLAYBROOK. With regard to recalls, I think that Diane Steed in a way misled you, Senator. It is true that there have been very few formal decisions on recalls. The reason that there have been in the past is because the industry has always been willing or almost always been willing to do the recalls where there was clear evidence that they should. They do not do that anymore.

So you have to distinguish between the past record of formal decisions on rulemaking and what is happening today where requests are being made and being ignored by the industry on a regular basis. So as she reports to you, it is important to note that distinction.

Between the 55-miles-per-hour speed limit, the motor vehicle safety standards, child restraint standards, age 21 for drinking, emergency medical services which have improved vastly during the course of NHTSA's funding of this program and also motorcycle helmets, huge numbers of lives have been saved. I would like to mention particularly a few other items in terms of safety standard priorities which were not mentioned by my colleagues.

One is there is a pending decision coming forward from the Department of Transportation on whether or not to delay the application of passenger side air bags until 1994. That would mean that the original standard was issued in 1984, and the beginning date for application would be a decade later for the passenger side. We think this is unconscionable. We think that it should be, at a minimum, phased in, and I do believe that we will probably sue the agency if they do not.

In terms of other issues that have not already been raised, I think that heavy trucks is a particularly important one. There is right now a study going on at the Office of Technology Assessments. There has been a big increase in heavy truck occupant deaths. Brian O'Neill and the Insurance Institute for Highway Safety have done a very fine report on this.

There are only two people in the NHTSA who work on this in the research office, two people out of about 600 or 700 people. Two years ago, Ms. Dole suggested combining the Bureau of Motor Carrier Safety with the NHTSA so that the original standards for the design of trucks and the standards for trucks on the road would be under the same umbrella. I would urge you to look at that in this authorization bill and to consider combining them because some particularly important work needs to be done in this area.

Those are the only items that I have which I think are separate from items mentioned by my colleagues. I guess I would just close by saying I hope that this particular bill will include a provision on a small item but an important one, tire registration.

In 1982, the authorization bill changed the requirement so that the dealers no longer had to send the names of consumers with the tire identification number to the manufacturers. They said they

could do a better job voluntarily. They have not. The report that the agency did shows that. I think a very decent way can be designed with a similar card for all manufacturers to have this information easily transmitted, and I hope that you would require that in this bill.

Thank you very much.

[The statement follows:]

STATEMENT OF JOAN CLAYBROOK, PRESIDENT, PUBLIC CITIZEN

Three words can best describe the history of the National Highway Traffic Safety Administration (NHTSA): payoff, potential and procrastination. Since 1966, federal auto and highway safety programs have saved over 130,000 lives and mitigated millions of potential injuries, a notable feat in the face of consistent industry opposition to the programs. Numerous opportunities exist to save additional lives and to reduce the number of severe and disabling injuries inflicted on the nation's highways. But in the past six years, NHTSA's leadership has stalled many safety initiatives despite convincing proof of their need and effectiveness.

While Secretary Elizabeth Dole has stated that safety is her "top priority," this administration has consistently ignored many potential advances in auto and highway safety. Too much time has been wasted and misplaced faith invested in market forces and voluntary initiatives with a driving public whose behavior has changed only with the enactment of new laws and an industry whose leaders fervently believe that safety doesn't sell. NHTSA's rulemaking plan still sets no deadlines for any rulemaking action unless required by law. Instead, it talks about data gathering, research and more evaluations.

Rather than despair over the agency's inaction, this Committee should approach NHTSA's reauthorization as an opportunity to set out a broad, long-term agenda for the nation's auto and highway safety programs.

Before looking ahead, it may be useful to highlight some of the payoffs of our national auto and highway safety programs, if only to emphasize that many of our recommendations for future action are an outgrowth of past successes.

In highway safety, enactment of laws governing behavior on the road have produced results. For example:

55 mile-an-hour speed limit.—Enacted in 1973 to conserve energy, this law had saved an estimated 25,000 to 50,000 lives by 1984. Between 2,500 to 4,500 severe injuries and 34,000 to 61,000 moderate injuries per year were prevented as well. In addition, this law saves approximately sixty million barrels of oil each year—about one percent of total U.S. consumption. Critics of the 55 mph speed limit say that only 43% of the population abides the law, but in reality about 70% do not exceed the limit by more than 5 mph—the speed at which the police routinely enforce the law. The Senate has done an injustice to the driving public who are now protected against high-speed drivers with its vote to raise the speed limit to 65 mph on rural interstates.

Child restraints.—Use of child restraints has increased dramatically from less than five percent in 1974 to about 50% in 1986. This increase is due almost entirely to the passage of state child-restraint laws, which first passed in Tennessee in 1977 and were enacted in all states by 1983. Along with lap belts, these restraints in 1984 saved nearly 200 children, four years old and younger. As more families use child restraints through proper enforcement of these laws, the number of lives saved will continue to grow.

Age 21 for drinking.—In 14 states that raised their legal drinking age to 21, nighttime highway fatalities among youths under age 21 declined by 380 per year. If adopted in all states, as the federal law now demands as a condition for receiving grants, an additional 600 young people could be saved each year.

Emergency medical services.—Agency research in, and grants for, emergency medical services fostered the development of a network of effective rapid-response transportation systems and of trauma centers in nearly every community in America. By providing medical treatment within sixty minutes to those injured, trauma centers have proven to be invaluable in increasing the survival rate and lessening the extent of disability of those injured on the nation's highways.

The payoffs are even greater in the area of motor vehicle safety performance standards. Though repeatedly attacked and criticized by automobile manufacturers as unreasonable, arbitrary or technically unfeasible, they provide benefits so tangible, so quantifiable, as to force even the most ardent deregulator to take notice.

Since 1968, according to NHTSA estimates, these standards have saved more than 100,000 lives. Among them:

Side-crash protection.—The side-impact protection standard saves up to 480 lives a year. Each year, it also prevents 4,550 non-fatal hospitalizations resulting from crashes with fixed objects and another 4,920 non-fatal hopsitalizations resulting from vehicle-to-vehicle crashes.

Chest protection.—The steering assembly standards for driver impact protection and protection against rearward column displacement prevent 21,600 serious injuries and deaths a year.

Whiplash protection.—The head restraint standard prevents 64,000 injuries each year and would prevent a total of 85,000 injuries if properly installed and used in all cars.

Burn protection.—The fuel system integrity standard saves 400 lives, and prevents 520 serious injuries as well as 6,500 passenger car fires each year.

Ejection protection.—The windshield adhesive bonding standard, which prevents windshields from popping out in the event of a crash, saves 105 lives each year by preventing passengers from being ejected from their vehicles, and many more injuries.

In addition, we can also look forward to additional payoffs with the implementation of the passive restraint standard that took effect in the fall of 1986 in 10% of the new cars. This standard is just developing as a success story. More than a dozen auto manufacturers now plan to install air bags in close to 1.5 million cars by 1989. NHTSA estimates that the standard will save between 6,000 and 9,000 lives and prevent 150,000 injuries per year when the restraint systems are installed in all newly manufactured cars.

Despite these successes, motor vehicle-related deaths and injuries remain a serious public health problem. Auto crashes are the largest killer of Americans under the age of 44. Approximately 45,000 people are killed each year, and another 170,000 are seriously injured: at an estimated economic cost of about $70 billion a year to the nation. According to NHTSA, 66% of these fatalities and injuries are occupants of passenger cars, light trucks and vans. These horrifying statistics, measured against our successes to date and the available technology, make clear that many more casualties can be prevented with effective motor vehicle safety performance standards and highway safety programs and laws.

First on NHTSA's list of priorities should be the prompt extension of the frontal automatic crash protection standard to include front-seat passengers. In 1984, Secretary Dole's Standard 208 standard proposed that both driver and passenger restraints be phased in jointly, but she then agreed to delay phasing in the passenger standard until 1989. At the request of the Ford Motor Company, NHTSA has now proposed delaying passenger airbags until 1994. This unconsionable delay should not be approved—the lives of thousands of passengers are at stake. At least, manufacturers should be required to phase in passenger airbags beginning in 1990 when the standard was supposed to be in effect. If the requirement is delayed until 1994, we expect Public Citizen will sue the agency once again to force the prompt adoption of this life-saving standard.

The second priority is an upgraded side-impact protection standard. As far back as 1977, the agency acknowledged that a revised standard was needed. Since then, much of the supporting research has been completed, including the development and testing of its two-vehicle crash test procedure, moving deformable barrier crash test device, side-impact dummy for measurement of crash forces, and the thoracic trauma index to relate crash forces to the vehicle design's ability to prevent injuries. Yet NHTSA has refused to take action to require companies to improve vehicles to prevent many of the 8,000 deaths and 25,000 severe injuries that still occur annually as a result of side-impact crashes. And despite knowledge that some modest improvements in padding, glazing and structure could make a big difference in passenger protection, only a few manufacturers have voluntarily adopted these features during the past decade.

As a result, in June 1986, Public Citizen petitioned the agency to revise the standard to include: a dynamic crash test standard for protection to the thorax; a component test standard for protection from head injury using improved structures and padding; and a dynamic crash test standard that would protect the abdomen and pelvis. Despite a 120-day legal deadline, NHTSA as might be expected has not yet responded to our petition.

In addition, we believe that NHTSA should include side-impact testing in its New Car Assessment Program. We know that the program has worked effectively, through publicizing car models' crashworthiness, in influencing consumer purchases and encouraging improved safety design. Consumers have a right to similar infor-

mation on a model's ability to withstand side-impact crashes. Furthermore, such publicity would encourage auto manufacturers to voluntarily upgrade their models.

The third priority is pedestrian protection. About 8,000 pedestrians are killed and tens of thousands more are injured each year. Many of them could be saved by putting soft-face bumpers on cars and shaping the front of cars to reduce the severity of impact injuries. The feasibility of this safety technology has been amply demonstrated by NHTSA's Research Safety Vehicle and other research. Again, the agency proposed a pedestrian-protection standard in January 1981, but the present administration is calling for more research that will delay any rulemaking initiative until 1991.

The fourth priority is the application of existing motor-vehicle safety standards, including the passive restraint standard, to light trucks and vans. These include requirements for fuel system integrity, roof-crush, head restraint, and side-impact standards—all of which have been required in cars for nearly twenty years. With more individuals and families purchasing light trucks and vans and the significant reduction in the weight and size of some of these vehicles, greater numbers of people are vulnerable to greater injury on the nation's highways. Once again, the Carter administration proposed to apply these standards to light trucks and vans, but these proposals have been quashed by the Reagan administration.

The fifth priority is the installation of shoulder belts for rear-seat occupants. Recent studies by the National Transportation Safety Board demonstrate that seat belts without shoulder straps provide inadequate protection and may actually cause some serious injuries and fatalities. Though some European auto manufacturers have included shoulder straps for rear-seat occupants for years and others—such as Ford and GM—have stated they will provide them in the near future, we believe that all manufacturers should be required to include them for the safety of both rear- and front-seat occupants.

The sixth priority is the development of safety standards for heavy trucks. One in every three tractor-trailers can be expected to crash every year. Fatality rates for drivers of tractor-trailers is nearly triple that of drivers of passenger cars. These crashes and fatalities could be effectively reduced by standards requiring heavy trucks to be equipped with antilock brakes, modified front-axle assemblies and new tire and rim designs that improve control following a blowout. Vehicle-crashworthiness, occupant restraint and fuel system integrity standards should be applied to heavy trucks as well. For the safety of both the truck driver and all who share the roads with trucks, ride-quality standards that help reduce driver fatigue and exposure to vibrations, noise, heat and poor visibility, should be developed.

In addition, trucks should be required to be equipped with underride guards that keep a car from sliding under the rear of a trailer in the event of a crash. NHTSA is still considering an underride standard though a proposed rule that would have prevented more than one hundred deaths and serious injuries each year was proposed by the Carter administration in January 1981.

The seventh priority is the reinstatement of the 5 mph bumper standard with a provision that the standard be extended to all light trucks and vans. As this standard will have to be phased in, we believe that in the interim manufacturers should provide consumers with information disclosing which of their models meet the original 1980 5 mph standard that was revoked in 1982.

The eighth priority is the issuance of a consumer information standard that would require manufacturers to disclose 35 mph frontal- and side-crash test results, conducted under the New Car Assessment Program, on stickers on all new cars. NHTSA proposed such a standard in January 1981, but under Reagan the agency again has delayed taking any action, citing the need for further study.

Because NHTSA has postponed and delayed action on these important standards, we believe that Congress should include these critical provisions—some of which were included in last year's NHTSA reauthorization bill that was unanimously passed by the Senate—in this year's authorization bill. We would be happy to provide the Committee with more specific proposals for your consideration.

Beyond standard-setting, I strongly urge that NHTSA play a more aggressive role in pressing states to pass motorcycle helmet usage laws, as Secretary Dole and NHTSA have done in pressing for state seat belt use laws. At present, only 20 states have laws that require all motorcyclists to wear helmets. Another 23 states have "no-law" laws that apply only to those under a certain age (generally 18 years). Seven states have no usage laws.

There is strong evidence supporting the effectiveness of these laws, much of it documented by NHTSA. First, helmets effectively protect the rider from severe injury and death. Unhelmeted riders have two-and-a-half to six times as many critical or fatal head injuries as riders who wear helmets. Second, usage laws force riders to

wear helmets. Compliance rates reach close to 100% in states with helmet usage laws compared to about 50% on states with "no-law" laws. Third, these laws prevent unnecessary medical and societal costs. On an individual basis, medical-care costs more than double for riders injured without a helmet than for riders injured while wearing a helmet. The overall societal costs, resulting from the repeal or weakening of usage laws in 28 states between 1976 and 1979, was estimated to be about $180 million in 1980 with a loss of about 1,500 lives per year—mostly young men between the ages of 15 and 24.

Another matter the Committee should address is the two-year voluntary tire registration program permitted by Congress in 1982. This predictably has been a failure. Voluntary registration is not understood by the public and does not work. The original law should be reinstated to require mandatory tire registration with some modifications to make the program less burdensome to all parties involved. This is essential to ensure that consumers are notified by manufacturers when a tire recall occurs. Standardized registration cards should be issued to all tire dealers, and consumers should be required to fill them out upon purchase of tires. The dealer would be required only to insert the tire registration number and mail the card to the tire manufacturer. Manufacturers should be responsible for paying the postage.

To carry out the activities mentioned, we hope the Committee will mandate that NHTSA's budget be increased. Between 1987 and 1981, it has dropped by 18% when adjusted for inflation. In particular, support and staffing for rulemaking activities should be enlarged.

In closing, I urge the members of this Committee as well as other members of Congress to be unrestrained in their oversight of federal auto and highway safety programs. As the following example will illustrate, your involvement can have significant impact in breaking new ground in motor vehicle injury prevention and control.

In 1984, Rep. Bill Lehman, chairman of the House Appropriations Subcommittee for the Department of Transportation, required funding for a study by the National Academy of Sciences on injury prevention, which resulted in the landmark report *Injury in America*. The dramatic findings of the report—the annual toll of injuries and the need for more institutional support—prompted Rep. Lehman last year to fund a $10 million program on injury control managed jointly by the Centers for Disease Control and NHTSA.

While the program is just getting started, it holds great promise in enhancing the recognition of NHTSA's activities as legitimate public health programs. At a program-sponsored national conference held in February 1987 in Atlanta, individuals from the medical and public health fields shared their concerns with engineers, physicists, biomedical experts and economists on the causes and impact of motor vehicle-related injuries and fatalities. This mix of expertise is critical to the development of government safety programs as well as private activities.,

Thank you Mr. Chairman for the opportuntity to testify today. We look forward to working with the Committee to make important advances in these lifesaving programs.

Senator GORE. Thank you very much. We will certainly look at that suggestion and can consider proposing an amendment to the bill that would cover, but we will have to look closely at that.

Now, let me ask the three of you, as individuals familiar with the car safety issues during the course of several administrations. I would like to have your opinion of NHTSA's changing role as an auto safety watchdog. How would you compare its current performance on a scale of one to ten?

Mr. Ditlow.

Mr. DITLOW. I would like to drop it back below one.

Senator GORE. Below a one? Recognizing that a single number may not be fully informative, you would say below a one?

Mr. DITLOW. That is right, because I think in the areas such as passive restraints it is the Supreme Court decision of nine to nothing that overturned an earlier revocation to put them on the right path.

The only other thing I can think of that they have done worthwhile is the high-mounted brake light, and that was done by the

former administrator sitting here at the table who did the work on that. This administration simply put it into action.

Senator GORE. Mr. O'Neill.

Mr. O'NEILL. Three or four would be my rating. I think that they have been very laid back as an agency and have been more passive than active. They certainly could have been much more aggressive in their rulemaking activities.

Senator GORE. Ms. Claybrook.

Ms. CLAYBROOK. Well, it is hard for me since I was a part of the past to, I guess, make a fair judgment, but I would——

Senator GORE. Oh, go ahead.

Ms. CLAYBROOK. I would say that the major missing link in this agency is coming to a final decision on anything. That is really what is out of kilter.

If you would look at, and I would like to submit for the record, I will submit for the record, their rulemaking plan to the Office of Management and Budget. There is not a deadline in there with the exception of one, and that is mandated by law, which is the reason that we would like to see mandated-by-law standards. Only then will the agency act.

So I give it a very low rating.

Senator GORE. Well, what new information have NHTSA's side impact studies and public hearings generated which contradict the side impact findings during your term as administrator?

Ms. CLAYBROOK. Well, the agency has the valuation section, and they have done some very fine work, Senator. In fact, that is the basis on which we have estimated the payoff on the standard.

In 1978, an evaluation was done of the side impact standard looking at all of the statistics, and we determined that the standard works very well in single car side impact crashes; that is, a car going into a tree. The way that the standard was written back in 1970, the side impact standard, is a pole essentially, and you push it against the side of the car to measure the strength of the car. It is a static standard, as it is called.

So the agency in 1978 recommended to itself, essentially, that a development be done on a car-to-car side impact standard because in those crashes there is very little protection. A tremendous amount of work has been done in research in terms of the dummy, in terms of the deformable barrier that would be used, moving barrier, to do the crash test, in terms of figuring out the component parts.

For example, an analysis has been done that shows that with just some padding and changing in glazing in the side of the car, you can save a lot of lives and mitigate a lot of injuries even if you do not do the major portion of the structural work.

So the agency knows all of this, and I think that the only time that they really need to develop the notice of proposed rulemaking is just how do they specifically write that standard. That is really all the time they need.

In terms of a year for rulemaking, Ms. Steed said it was not possible. I think that that is wrong. I think that it absolutely is possible, and so they passed the deadline by two months, and it takes 14 rather than 12 months. If they go much beyond that, we will sue

them again because that is the only way they pay any attention to anybody.

We would like to see a particular deadline in the statute because then they have to act. Then OMB has to give them money for it. Then the President cannot veto the standard. This administration is not going to support anything that is mandatory unless it is mandated.

Senator GORE. Okay, moving to another subject, can any of you think of any reason why light trucks should not be subject to the same safety standards as automobiles?

Mr. O'Neill.

Mr. O'NEILL. In our opinion, light trucks and multipurpose passenger vehicles should meet all of the safety standards that passenger cars have to meet or appropriate equivalents. If there is some reason, perhaps for example different ground clearances with respect to the bumper standard, except for minor differences of that kind, I think they should be meeting the same standards as passenger cars. They are primarily used for personal transportation, and they should meet the same safety standards as passenger cars.

Senator GORE. Mr. Ditlow.

Mr. DITLOW. There is no reason I can think of why there should be different standards.

Senator GORE. Ms. Claybrook.

Ms. CLAYBROOK. No. I can tell you why the separate category was set up. It was set up because the original statute gave the agency four months to issue the standards, and it was literally impossible to determine, and there were more differences between these vehicles. So they set up a separate category for standards to be issued for those vehicles within a couple of years, and it has become an excuse for not acting. I think that it is unnecessary now.

Senator GORE. All right, very good.

Briefly, why do you think DOT's record on recalls and defect investigations has been so poor in recent years?

Mr. DITLOW. It simply has been so poor because the agency refuses to initiate formal defect investigations, only one in all of 1986. They refuse to file a lawsuit, and the figure that Ms. Steed gave you of 52 percent compliance, that is 52 percent of recalls were "influenced by DOT', not 52 percent of the ones where they asked for a voluntary recall. The record where they have asked for a voluntary recall is much closer to zero percent than 50 percent.

Senator GORE. Oh, is that right?

Mr. DITLOW. Absolutely.

Senator GORE. Well, I am sure there is some disagreement about that from the agency. Maybe I can ask that without objection we hold the record open for comments on that point.

I would like to see a little dialogue in the record on that point.

[The following information was subsequently received for the record:]

Effect of Recall Requests Issued 1981-87*

NHTSA Administrator Diane Steed has claimed that her agency obtains a recall in approximately 50% of all cases where NHTSA issues a non-binding recall "request." This figure, however, is misleading, as the following statistics show that in the critical category of U.S. cars, light trucks and vans, her agency is batting less than 5% in getting the recall NHTSA asked for in one out of 27 requests. Even when one includes small recalls such as the one of 54 Neoplan buses, NHTSA only gets 11% of the vehicles or items of equipment recalled that it seeks.

US Cars, Light Trucks, Vans

Requests: 27
"Yes" Responses: 1
"No" Responses: 26

The only "yes" response was an agreement by General Motors to recall 6000 light trucks. Among the "no" responses, in 20 the manufacturer refused to take any corrective action. In 4 cases the manufacturer agreed to recall only a portion of the vehicles covered by the request, or to conduct a non-safety service campaign; in 2 cases the manufacturer has conducted a non-safety service campaign as a result of pressure from a state attorney general or private lawsuit.

Foreign Cars, Light Trucks, Vans:

Requests: 20
"Yes" Responses: 14
"No" Responses: 6

Among the "no" responses, in 4 cases the manufacturer refused to take any action, although in 1 of those 4, a second request resulted in a recall; in the other 2 cases, the companies agreed to a warranty extension rather than a safety recall.

Other

Requests: 20

"Yes" Responses: 15
"No" Responses: 5

This category includes all other recall requests except motorhomes. NHTSA initiated a single investigation involving dual rear wheel adapters for micro-mini-motorhomes which led to several dozen recall requests to small manufacturers of a few hundred motorhomes each.

(*) Some recent requests may not have been identified by CAS, since NHTSA does not make public its recall requests.

List of Vehicle Defect Investigations (Excluding Motorhomes) Subject to Recall "Requests", 1979-1986.

EA8-118: 1977-84 Ford E-350, F-350 vans & trucks, dual rear wheels fall off; first request issued 7-5-79; case dropped 9-30-83, **NO RECALL.** Case reopened in 1984, second request issued 10-31-84. Case upgraded to formal status but still no determination of defect.

Vehicle population: 456,500

Accident Statistics: 232 accidents, 106 injuries, 2 deaths.

EA9-065: 1979 Ford Mustang/Capri, hole in trunk; request issued 8-31-79; case dropped 9-20-79. **NO RECALL.**

Vehicle & accident statistics unavailable.

EA9-104: International Harvester S-Series School Buses, brake pedal location; request issued 11-29-79; case dropped 12-84. **NO RECALL.**

Vehicle Population: 16,500.

Accident Statistics: 7 accidents.

EA9-057: GM 1975-78 Cadillacs, headlight mounts break; request issued 2-6-80; case dropped 10-27-81. **NO RECALL.**

Vehicle population: 1.6 million

Accident Statistics: no accidents reported, however, headlight aim adjuster parts sales totalled over 900,000 by 1980.

EA9-079: Ford 1977 full-size cars, explosive failure of steering & brakes; request issued 4-3-80; case dropped 4-21-82. **NO RECALL.**

Vehicle population: 400,000.

Accident statistics unavailable.

EA80-009: GM 1976-78 Chevette, rim/tire separation; request issued 4-17-80; case dropped 2-3-82. **NO RECALL.**

Vehicle population: 580,000.

Accident Statistics: 4 accidents.

EA80-085: GM 1978-79 Cadillac Seville, wire wheels puncture tires; request issued 5-11-81; case dropped 11-4-83. **NO RECALL.**

Vehicle population: 13,000.

Accident Statistics: 4 accidents, 2 injuries as of 4-82.

EA80-024: GM 1980 X-Car Rear Brake Lockup; request issued 7-6-81 (1 known fatality at that time); case shelved for over a year until secret NHTSA test results leaked out. **TWO PARTIAL RECALLS, REMEDIES INEFFECTIVE.** U.S. SUED IN DISTRICT COURT 7-83, SEEKING RECALL + $4M PENALTIES FOR DEFECT COVER-UP; DECISION FOR GENERAL MOTORS 4-87; NO DECISION TO APPEAL MADE YET BY US.

Vehicle population: 1.1 million.

Accident Statistics: 5000 complaints, 1100 accidents, over 300 injuries and over 20 deaths.

EA81-007: Honda undercarriage rust; request issued 8-4-81; **RECALL** 11-15-81.

Vehicle population: 936,000.

Accident statistics unavailable.

EA80-112: Chrysler Omni-Horizon Hatchback Falls Down; request issued 11-20-81; case dropped 1-3-85; **NO RECALL.**

Vehicle population: 123,000.

Accident statistics: number of accidents unavailable; NHTSA reported 64 complaints resulting in 14 injuries as of 8-82.

EA79-107: VW, various 1976-80 VW & Audi cars and trucks; electrical system problems causing stalling, inability to start, and smoke or fumes; request issued 11-23-81; **RECALL** 10-26-83.

Vehicle population: 750,000.

Accident statistics: no accidents as of 3-82.

EA81-015: GM 1978-80 A-cars, rear wheel & axle assembly falls off; request issued 12-2-81; case settled 11-26-84 after GM agreed to inspect only cars built at one assembly plant and replace only those axles found already to be worn; one death due to loss of rear wheel/axle assembly after NHTSA case settled, in an A-car not included in GM's inspection program. **NO RECALL.**

Vehicle population: up to 5.3 million; 3.1 million were included in the final settlement.

Accident statistics: 64 accidents resulting in 11 injuries as of 4-83; 1 fatality.

EA81-10K: Ford 1979-80 Mustang/Capri, hatch lid falls down; request issued 6-1-82; case dropped 1-3-85; **NO RECALL.**

Vehicle population: 243,000.

Accident statistics: number of accidents unavailable; 16 injuries as of 8-82.

EA82-041: Nissan 1977-80 310, brake lights; request issued 7-29-82; **RECALL** 9-8-82.

Vehicle and accident statistics unavailable.

EA82-030: International Child Seats, request issued 9-23-82; **RECALL 10-28-82.**

Equipment population: 41,000.

Accident statistics unavailable.

EA83-005: Century Child Seats; request issued 10-21-82; **RECALL 11-30-82.**

Equipment population: 62,000.

Accident statistics unavailable.

EA82-033: Subaru, all 1980 cars; seats fall backwards; request issued 12-23-82; **RECALL 1-28-83.**

Vehicle population: 84,000.

Accident statistics unavailable.

EA80-111: VW 1975-79 Rabbit, Scirocco brake line rust; request issued 1-10-83; **RECALL 10-26-83.**

Vehicle population: 661,000.

Accident statistics: 3 accidents, 1 injury as of 6-83.

EA83-003: Mazda 1978-82 GLC, 626, shoulder belt anchor bolt falls out; request issued 2-16-83; **RECALL 4-30-83.**

Vehicle population: 232,000.

Accident statistics unavailable.

EA83-009: Datsun 1974-78 210 hatchbacks; fuel tank straps rust, tank droops down; request issued 3-16-83; **RECALL 5-26-83** (salt belt states only).

Vehicle population: 328,000.

Accident statistics: no accidents or fires as of 6-83.

EA83-006B GM Truck Differential, damage from loose lock screw or pinion shift could cause loss of control; request issued 3-17-83; **RECALL 4-21-83.**

Vehicle population: 6,204

Accident statistics unavailable.

EA82-028: Ford 1981-82 Escort/Lynx, fires due to power steering hoses and rear window defoggers; two requests issued 3-28-83; case dropped 7-26-84; **NO RECALL.**

Vehicle population: 169,000 for the power steering problem; 345,000 for the rear window defogger problem.

Accident statistics: 17 fire reports in total for both problems; no accidents or injuries.

EA83-014: Chrysler 1978-82 Omni-Horizon and K-cars; stalling, engine surge due to carburetor isolator deterioration; request issued 5-12-83; case dropped 6-8-84; case reopened after CAS petition; **NO RECALL.**

Vehicle population: 2 million.
Accident statistics: 17 accidents, 2 injuries.

EA83-007: Saab 1978-80 99, 900; transmission lockup; request issued 6-6-83; **RECALL 7-7-83.**

Vehicle population: 12,000.
Accident statistics unavailable.

EA80-100: GM 1980 X-Cars, loss of power brakes; first request issued 8-12-83; second request issued 7-24-84; **NO RECALL.**

Vehicle population: 1 million.

Accident statistics: 100 accidents, 30 injuries, no fatalities, as of 1983.

EA82-002: VWoA; 1978-83 Audi 5000 sudden acceleration; request
AU83-02 issued 8-12-83 following earlier unsuccessful Audi recall;
C86-01 case dropped in 1983, reopened in 1985 after second Audi recall also unsuccessful, expanded to include 1978-86 models; second recall request issued 12-23-86, resulted in another unsuccessful VWoA recall; **NO EFFECTIVE RECALL TO DATE.**

Vehicle population: 250,000.

Accident statistics: 1500 accidents, 400 injuries, 7 fatalities.

EA83-013: Ford 1981-82 Escort/Lynx, seats fall backwards; request issued 11-1-83; Ford agreed to recall only 80,000 of the affected models on 7-12-84; case pending, expanded to include various 1983-86 Ford models; **NO RECALL.**

Vehicle population: 1.2 million at time of original request; a separate investigation of the same defect in 4.4 million 1983-86 models was opened 12-5-85.

Accident statistics: 5 accidents and 18 injuries on the original vehicle group; 13 accidents and 10 injuries reported on the 1983-86 models. No deaths.

EA80-087: 1979 Ford Mustang/Capri, rear brake lockup; first request issued 3-30-83; second request issued 11-3-83; **NO RECALL** (upgraded to formal case, still pending, no initial defect determination issued yet).

Vehicle population: 450,000.

Accident statistics: 100 accidents, 40 injuries, 7 deaths as of 1985.

EA82-005: 1975-80 Kawasaki Police Motorcycles, high speed wobble; request issued 2-10-84; **RECALL 4-86.**

Vehicle population: 4500

Accident statistics: accident totals unavailable; 54 injury-causing accidents and 3 deaths as of 1984.

EA84-011: 1980-81 Honda Prelude coil spring support rusts, breaks; car falls on tires; request issued 5-9-84; **RECALL 7-13-84.**

Vehicle population: 96,000.

Accident statistics unavailable.

EA84-017: Allison seat warmers, overheat & burn upholstery; request issued 5-10-84; **RECALL 9-18-84.**

Equipment population: 3900.

Accident statistics unavailable.

EA84-019: GM 1982 Camaro/Firebird rear selt belts cut by anchor plate in a crash; first request issued 6-19-84; second request issued 11-16-84; case dropped 5-1-85; **NO RECALL.**

Vehicle population: 66,000.

Accident statistics: No accidents.

EA83-012: 1977-80 MG, Triumph seat belt retractors jam; request issued 10-1-84; **RECALL 5-2-85.**

Vehicle population: 150,000.

Accident statistics unavailable.

EA84-028: GM 1981-82 Chevettes with diesel engines, rear brake lockup; request issued 10-9-84; case pending; **NO RECALL.**

Vehicle population: 31,000.

Accident statistics unavailable.

EA83-018: Peugeot 1981-83 Model 505 power brake failure; request issued 12-5-84; case dropped 6-20-85; **NO RECALL.**

Vehicle population: 35,000.

Accident statistics: one accident.

EA85-006: BMW 1984 Model 318i, engine surge and sudden acceleration due to damaged idle control valve; first request issued 12-10-84; second request issued 4-10-85; **RECALL 4-30-85.**

Vehicle population: 11,000.

Accident statistics unavailable.

EA84-032: Neoplan Model 80B Bus; cracked frames and electrical shorts; two requests issued, 12-27-84 & 2-5-85; **TWO RECALLS 3-22-85.**

Vehicle population: 2000.

Accident statistics unavailable.

EA84-023: GM 1982-84 A-Cars, rear brake lockup; request issued 1-3-85; case expanded to include 1985 models; upgraded to formal case, still pending; no initial defect determination issued yet; **NO RECALL.**

Vehicle population: 1.75 million at time of request; 2.5 million now.

Accident statistics: 69 accidents, 23 injuries as of 1-85; 1 death as of 1986.

EA84-006: GM 1978-81 A, A-Special, 1982 G-cars; upper control arm bolts fail; first request issued 1-16-85; second request issued 3-25-85; case dropped 12-85. **NO RECALL.**

Vehicle population: 6 million.

Accident statistics unavailable.

EA85-007: 1980-891 Trailmobile semitrailers, air brake hose failures; request issued 1-23-85; **RECALL 3-15-85.**

Vehicle population: 568.

Accident statistics unavailable.

EA85-015: 1976-83 Mazda cars, idler arm rust; first request issued 3-8-85; second request issued 4-30-85; **RECALL 8-24-85.**

Vehicle population: 136,500.

Accident statistics unavailable.

EA85-025: Century 200 1981-83 infant car seats, seatbelt buckle jams; request issued 4-8-85; **RECALL 5-22-85.**

Equipment population: 296,000.

Accident statistics unavailable.

EA85-024: Ford 1982-84 Escort/Lynx rear seat belt retractors jam; request issued 4-8-85; Ford issued partial recall 5-15-85 which asked owners to do the repair work themselves; case pending; **NO COMPLETE RECALL.**

Vehicle population: 851,000.

Accident statistics unavailable.

EA85-032: Strick trailers, tandem axles may separate; request issued 7-19-85; **RECALL.**

Vehicle and accident statistics unavailable.

EA85-033: Daytona Wheels, overloaded when used on van conversions; request issued 7-26-85; **RECALL.**

Vehicle & accident statistics unavailable.

EA85-034: Hyashi HR 304 wheels crack; request issued 7-30-85; **RECALL 10-1-85.**

Equipment population: 500.

Accident statistics unavailable.

EA85-035: Arrowcraft adapters; request issued 7-31-85; **NO RECALL.**

Vehicle & accident statistics unavailable.

PE85-55: Ravens Model 1R1D dump trailers, defective inner cap nuts, outer wheel falls off; request issued 8-5-85; **RECALL 9-23-85.**

Vehicle population: 67.
Accident statistics unavailable.

PE85-59: Alfa Leisure Fifth Wheel Trailer kingpin fails; request issued 8-27-85; **RECALL 9-16-85.**

Vehicle population: 820.

Accident statistics unavailable.

PE85-47: GM 1981-83 C & E-Cars, door fires; request issued 9-4-85; case pending; **NO RECALL.**

Vehicle population: 1 million.

Accident statistics: 48 fires, 4 injuries.

EA85-044: Western trailers with aluminum wheels, inner cap nut fails; request issued 9-13-85; case dropped 1-86; **NO RECALL.**

Vehicle and accident statistics unavailable.

EA86-001: Cosco/Cosco Peterson child seat release buttons; first request issued 10-85; second request issued 12-85; **RECALL 5-1-86.**

Equipment Population: 178,000.

Accident statistics unavailable.

EA82-040: Honda 1979-81 Accord/Civic seat belt retractors fail; request issued 11-4-85; case dropped in 1986 after Honda agreed to a warranty extension without direct owner notification; **NO RECALL.**

Vehicle population: 938,000.

Accident statistics: no accidents.

PE86-007: Neoplan buses, rear brakes come on by themselves; request issued 11-85; **RECALL 12-11-85.**

Vehicle population: 54.

Accident statistics unavailable.

EA82-017: Rocket Industries RBII and Challenger Wheels, structural integrity; request issued 12-85; case still pending; **NO RECALL.**

Vehicle and accident statistics unavailable.

EA82-020: Weldwheels Starwire wire wheels, sructural integrity; request issued 12-85; case pending; **NO RECALL.**

Vehicle and accident statistics unavailable.

EA86-002: Toyota 1982-83 Celica seat belt retractor jams; request issued 12-85; case dropped following service program; **NO RECALL.**

Vehicle population: 234,000.

Accident statistics: 2 accidents, 4 injuries.

EA85-045: Toyota 1982-83 Cressida sudden acceleration; recall request issued issued 2-28-86, second request 5-86; investigation still pending, has not been upgraded to formal investigation, no initial defect determination issued yet; **NO RECALL.**

Vehicle population: 70,000.

Accident statistics: 40 accidents, 10 injuries, 1 death.

EA86-007: GM 1983-85 Camaro, Firebird & Monte Carlo with Eaton locking differential; request issued 2-25-86; case pending; **NO RECALL.**

Vehicle and accident statistics unavailable.

EA86-025: GM 1985 A,C,F,G, N-body wipers fail; request issued 9-3-86; case pending, **NO RECALL.**

Vehicle population: 3,000,000.

Accident statistics: 4000 complaints, 7 accidents, 1 injury.

EA85-041: GM 1985 A,C,X seats fall backwards; request issued 9-3-86; case pending; **NO RECALL.**

Vehicle population: 450,000.

Accident statistics: 155 incidents, 4 accidents, 2 injuries.

EA85-018: GM 1981-84 Chevette/Pontiac T1000 pully bolt breaks (loss of assist to steering/brakes); request issued 5-9-86; **NO RECALL**; in a settlement of a class action suit filed by victims of the defect, GM agreed to conduct a non-recall service campaign; NHTSA's EA is still pending.

Vehicle population: 150,000.

Accident statistics: 9 accidents, 1 injury, 1 death.

EA87-002: Ford 1984-86 E350 van chassis-based ambulances (various end-manufacturers), fuel spurting & fires; request issued 4-7-87; case upgraded to DI 5-87, **NO RECALL** (company agreed to non-safety service campaign at request of a state attorney general); NHTSA upgraded its EA to a formal investigation 5-87.

Vehicle population: 22,000

Accident statistics: 170 incidents, 15 fires, 4 injuries

Ms. CLAYBROOK. Senator, I think I can explain that issue slightly, and that is the agency begins an investigation and then the company recalls. In the agency's calculation, that is something that they have influenced. That is the 52 percent as opposed to they have gotten to the point where they have actually asked them to do a recall.

Senator GORE. Okay. Well, if you all would be willing to examine the agency's response, then you can follow up on it.

We will submit other questions to the panel for the record as well. I want to assure you that the speed with which we are moving on this authorization bill should not be interpreted as a decision not to pay extremely close attention to the details of each and every one of these issues that are mentioned during the process this morning. We are going to return to these issues with vigorous oversight, but I do feel very strongly that we should move forward with an authorization bill early in the Congress because of the problems in the past. I really think it would be better all the way around, and then we will pursue these issues with oversight a little bit later on.

Thank you all very much for coming.

I would like to ask the second panel to come to the witness table at this point: Mr. Christopher Kennedy, Director of Federal Government Affairs for Chrysler; Mr. Robert Munson, Director of Automotive Safety for the Ford Motor Company; and Mr. David Martin, Director of Automotive Safety Engineering at the General Motors Technical Center.

The subcommittee is delighted to have all three of you here. We will hear from you in the order in which you are listed on the witness list.

I would like to say that I have a positive reaction to some of the recent steps taken in the industry. In December of last year Ford began some actions with respect to air bags, and yesterday General Motors made a very welcome announcement concerning its intention to vigorously pursue air bag installation in many vehicles. I think those are two very positive steps forward.

Let me begin now with Christopher Kennedy. We are delighted to have you here. You are most welcome. Please proceed.

STATEMENTS OF CHRISTOPHER M. KENNEDY, DIRECTOR, FEDERAL GOVERNMENT AFFAIRS, CHRYSLER CORP.; ROBERT H. MUNSON, DIRECTOR, AUTOMOTIVE SAFETY OFFICE, FORD MOTOR CO., WORLD HEADQUARTERS; AND DAVID E. MARTIN, DIRECTOR, AUTOMOTIVE SAFETY ENGINEERING, GENERAL MOTORS TECHNICAL CENTER

Mr. KENNEDY. Thank you very much, Mr. Chairman. We have been asked to comment on proposed amendments to the NHTSA authorization legislation. In a moment I will offer our observations on each of those amendments as well as discussing our plans for introduction of passive restraints.

First, however, a general comment. The subjects of discussion today are passive restraints, side impact, crashworthiness, light trucks, and shoulder belts for rear seats. None of these topics is new. All of them have been under review or subject to regulation for 4 years. As we look at each of these areas, I think it is appropriate to ask whether legislation would improve what is already taking place.

On light trucks, I am afraid the general public has the impression that both NHTSA and manufacturers have neglected these vehicles. That is not the case. In fact, most car standards, 28 of 33 car standards, already apply to light trucks. Accident data indicate overall light truck safety to be comparable to that of passenger cars. This suggests that trucks may not need all the same standards as cars because there are distinct differences between cars and trucks.

For example, trucks are higher from the ground, they have full body pillars, full-framed doors, and no hardtop body styles. Trucks behave differently than passenger cars in accidents, and therefore it seems appropriate, before we automatically apply car standards to trucks, that we should analyze accident data thoroughly to see if these standards are needed for trucks.

We believe the various accident files at NHTSA contain enough information to make an informed judgment on each issue and that the NHTSA report to Congress, due in only two months, should point the way for future action.

Without legislation or regulation, Chrysler is going to introduce high-mounted stop lamps in our mini vans and head restraints for all trucks and mini vans. We will also install antilock brakes on pickup trucks and full size vans as standard equipment, again in the absence of any Federal requirement.

For passive restraints, we have long had a research and development program seeking to find the best method of passive occupant protection in automobiles. Standard 208 has caused Chrysler and

all other manufacturers to begin a phase-in of such restraints in the 1987 model year, right now.

For Chrysler, our first cars with passive belts are the Dodge Daytona and the new Chrysler LeBaron Coupe which came to market early this year. Obviously we are not going to stop there, and over the next several years we plan to produce cars with other systems, such as two-point motorized belts and air bags. We plan to produce at least one model with driver air bags as standard equipment during the 1988 model year, and our plans include an increasing number of air bag equipped cars in later years. At this time, we are planning to have driver air bags on most of our 1990 model year cars.

On the subject of crashworthiness ratings, we agree that consumers should have reliable product information to help make informed choices. If the current 35 miles per hour barrier crash test provided useful information to car buyers, we would support it. Unfortunately, these tests do not give the consumer good information. They do not correlate with insurance industry injury statistics. They do not predict on-road safety performance and, therefore, can mislead consumers. One example; the current tests reported in the Car Book give a "good" rating to the light-weight Chevrolet Nova and a "poor" rating to the much larger and heavier Cadillac DeVille and Fleetwood. Common sense and years of experience tells us this is wrong; the larger, heavier car will have better crash statistics than the lighter one. But in this example, at least, these tests tell consumers exactly the opposite.

Instead of continuing the current test series, we believe NHTSA should redirect its resources, conduct a comprehensive study of alternate approaches to crashworthiness evaluation, and pick a system that does provide useful information to consumers.

On side impact, there has been a lot of research by a lot of people. This research has been productive. We expect it to produce more effective side impact standards from NHTSA. We began this side impact research knowing full well that it would lead to a new standard, and we expect NHTSA to propose one as soon as it defines the appropriate test procedures and performance requirements.

On rear seat shoulder belts, some months ago the National Transportation safety Board published a report on the effectiveness of rear seat lap belts. This report has been highly controversial because (1) the Board's conclusions were based on only a few selected injury accidents rather than a statistically valid sample of the thousands of accidents in the national data base, and (2) because of the harm done by this report which has been widely misinterpreted to criticize the effectiveness of all safety belts.

Despite this, the report has led to industry-wide action on rear seat belts. Chrysler, and we believe other manufacturers as well, are moving as quickly as possible to incorporate them. Chrysler will begin the phase-in of these belts in the 1989 model year, as standard equipment for the rear seats. We will also provide a dealer-installed retrofit shoulder belt for current models and many earlier ones. We plan to have those available this month.

In conclusion, we believe that crashworthiness rating activity should be redirected and that in all the other areas I have dis-

cussed things are moving forward. In some cases we are responding to Federal regulation, and in others we are acting voluntarily.

Passive restraints, high-mounted stop lamps, truck and van head restraints, rear seat shoulder belts, improved side impact and anti-lock brakes are all coming. We do not think additional legislation would improve this process, and we recommend that the orderly progress now under way continue uninterrupted.

Thank you very much.

[The following information was subsequently received for the record:]

CHRYSLER
CORPORATION

March 13, 1987

The Honorable Albert Gore, Jr.
Chairman, Consumer Subcommittee
Committee on Commerce, Science & Transportation
United States Senate
Washington, D.C. 20510-6125

Dear Mr. Chairman:

Thank you for the opportunity to express our opinions on motor vehicle safety at the March 6th hearing. Answers to the questions contained in your March 6 letter are presented below. If we can be of any help in clarifying or expanding these answers, please don't hesitate to call upon us.

Q1. You have questioned the value of the "new-car-assessment-program." Are you advocating discharging the program or do you accept it as an interim measure?

A1. The new car assessment program is of no value to prospective car buyers because it doesn't predict or correlate with on-road experience. Therefore it is not suitable as a permanent or interim measure. As we said at the hearing, we believe NHTSA should redirect its resources and seek a rating system which will provide useful information to consumers.

Q2. How many air bag equipped cars do you expect to sell this year? How many in 1988, 1989, 1990?

A2. The following chart summarizes our current plan for equipping future model cars with air bag restraint systems. This system consists of a driver side air bag which supplements the manual lap/shoulder belt and passenger side manual lap/shoulder belts. This plan is based on the assumption that the NHTSA will amend MVSS 208 to allow this combination to meet the passive restraint requirement after 1989. Our plan may change if it is not amended; in all probability that change would include at least 50% of the planned driver air bag cars being equipped with driver/passenger automatic belts. Other unforeseen circumstances also could change the plan, i.e., lack of development success, economic conditions, costs, competitive and other marketplace factors, etc.

Model Year	Projected Sales - Air Bag Equipped Cars
1987	None
1988	50,000 - 70,000
1989	200,000 - 250,000
1990	600,000 - 900,000

Q3. What does your company do to encourage consumers to bring their cars in for recall remedies?

A3. We stress accurate owner identification for initial notification, and the use of follow-up reminders for vehicles which are not repaired within a reasonable time.

The following procedures are used:

- Files are established for all recalled vehicles, based on their Vehicle Identification Numbers.
- The most accurate available owner name and address data are obtained. This information is first gathered from our sales records. It is supplemented and updated by records from the R. L. Polk Company, based on state motor vehicle registrations.
- Using this information, owners are notified of the recall and requested to arrange for the needed service.
- Additional names and addresses received from various sources (such as dealers, owner correspondence, etc.) are entered to the recall files. These newly identified owners are then notified of the recall by subsequent mailings at monthly intervals.
- Records of repair are recorded as they are received from the servicing dealers.
- These repairs are recorded as they are received from the servicing dealers.
- These repair status records are used to identify vehicles still in need of service several months after the recall is initiated. Follow-up notification letters are then mailed to the owners urging them to arrange for the service promptly. The first follow-up notice is normally scheduled within six months after initial notification.
- A second follow-up notice, if needed, is sent approximately twelve months after recall launch. These last two, follow-up, notices are sent voluntarily by Chrysler; they are not required by DOT.

Q4. What is your company doing to promote and educate the public about passive restraints? about safety belt laws?

A4. We have instituted a variety of measures to educate both dealers and the public about passive restraints. At this time we are concentrating on the system we have in production, passive belts, because the immediate need is to promote sales and use of these belts. We began last year with descriptive material in the press kits for Dodge and Chrysler-Plymouth vehicles which were distributed in the fall of 1986. Both press kits are attached for your review.

Information on passive belts is a major component of our Sales Effectiveness Training Program, a continuing series of dealership and consumer video tapes covering product facts, competitive comparisons and marketing actions. These tapes are supported by print materials and salesperson quiz forms. The 1987 program will include:

- Demonstration of the passive restraint features and benefits in video format for both salespersons and customers. Distributed during January and February to Zone Managers to hold training sessions in every dealership.

- A separate training tape will provide more detailed technical information for dealer personnel.

- Print support for salespersons and video tapes will provide diagrams and key benefits of the system.

A feature article on the Daytona restraints will appear in the Dodge Retail Action Plan Adviser. This quarterly publication keeps dealer and field personnel up to date on product and marketing actions. Passive restraints will be mentioned in ongoing mailings and promotional pieces, as appropriate.

Passive restraints will be included in vehicle displays, automobile shows and other exhibition sites.

Passive restraints will be featured in our customer brochures as they are revised to conform to recent product changes. These brochures are the means we use to communicate with prospective buyers about new products and features. Our latest brochure (attached) already contains text and illustrations of our passive belt system.

We have also been very active in promoting seat belt use laws. Chrysler has advocated seat belts and seat belt laws at every opportunity for the past fifteen years. In 1984, in response to Secretary Dole's initiative, we were one of the founders of Traffic Safety Now, Inc., an organization devoted solely to the promotion of belt use through state belt use laws. This organization has an annual budget approaching $20 million and a staff located in Detroit. It acts as an enabler, supporting state coalitions of belt use advocates and lobbying activities in all fifty states and the District of Columbia. We believe TSN is the most comprehensive traffic safety advocacy movement ever mounted by the private sector, and it has been very successful. Seventy-one percent of the nation's population is now covered by seat belt use laws. Belt use has tripled, or better, since this campaign began. According to Department of Transportation's figures, fatalities are down 11% percent in belt law states. In a brief period these laws have saved over a thousand lives and prevented tens of thousands of injuries. These figures are increasing rapidly as more recent state statistics become available.

Nearly one hundred million people in this country are now wearing their belts regularly. This is a dramatic increase over the figures of only a few years ago, and there seems little question that safety belt use will increase even more in the near future. Independent researchers believe that this safety belt campaign will produce the greatest improvement in traffic safety in recent history.

Senator John Danforth Question: Last December, you announced that if the Ford air bag petition was granted, Chrysler would put driver-side air bags in most of its cars in 1990. Does Chrysler still stand behind that commitment and has it done anything in the last 3 months to demonstrate its commitment?

Answer: Chrysler stands behind its December 11th plan to put driver side air bags in most of its cars in 1990 model year. We know you understand that this plan is contingent upon NHTSA issuing a final ruling allowing one-car credit for driver side air bags, and barring adverse developments which we do not foresee at this time. We reiterated this plan at the March 6, 1987 hearing, and we are proceeding with engineering and production planning while we wait for the final NHTSA rule.

Sincerely,

Christopher M. Kennedy

MODEL YEAR 19 83 MAKE/MODEL	UNIT VOLUME & % OF TOTAL SALES (CAR & TRUCK)	PHASS NOT REQUIRED					VOLUNTARY COMPLIANCE STD(S) OR OPT(O) WITH PHASS				
		108 CHMSL	202 HEAD RESTRAINTS	208 PASSIVE RESTRAINT	214 SIDE DOOR STRENGTH	216 ROOF CRUSH	108 CHMSL	202 HEAD RESTRAINTS	208 PASSIVE RESTRAINT	214 SIDE DOOR STRENGTH	216 ROOF CRUSH
Dodge Conventional Pickup: (D,W - 1,2,3) D-1,2,3,5,6,7	72,892 7.5%	X	X	X	X	X					
Dodge/Sport Utility: (AD, AW) D-4,8	18,992 2.0%	X	X	X	X	X		S			
Dodge Dakota: R	N/A	X	X	X	X	X					
Dodge/Plymouth Ramcage/Scamp: L-28	11,597 1.2%	X	X	X	X	X				S	
Dodge Full Size Van: B-1, 2, 3	65,206 6.7%	X	X	X	X	X					
Dodge/Plymouth Wagon: B-1,2, 3	36,435 3.8%	X	X	X	X	X					
Dodge Minivan: S	N/A	X	X	X	X	X					
Dodge/Plymouth Mini Wagon: S	N/A	X	X	X	X	X					

MODEL YEAR 19 84 MAKE/MODEL	UNIT VOLUME & % OF TOTAL SALES (CAR & TRUCK)	PHASS NOT REQUIRED					VOLUNTARY COMPLIANCE STD(S) OR OPT(O) WITH PHASS				
		108 CHMSL	202 HEAD RESTRAINTS	208 PASSIVE RESTRAINT	214 SIDE DOOR STRENGTH	216 ROOF CRUSH	108 CHMSL	202 HEAD RESTRAINTS	208 PASSIVE RESTRAINT	214 SIDE DOOR STRENGTH	216 ROOF CRUSH
Dodge Conventional Pickup: (D,W - 1,2,3) D-1,2,3,5,6,7	122,518 8.7%	X	X	X	X	X					
Dodge/Sport Utility: (AD, AW) D-4,8	26,724 1.9%	X	X	X	X	X		S			
Dodge Dakota: R	N/A	X	X	X	X	X					
Dodge/Plymouth Ramcage/Scamp: L-28	11,732 0.8%	X	X	X	X	X				S	
Dodge Full Size Van: B-1, 2, 3	70,929 5.0%	X	X	X	X	X					
Dodge/Plymouth Wagon: B-1,2, 3	40,295 2.9%	X	X	X	X	X					
Dodge Minivan: S	16,447 1.1%	X	X	X	X	X					
Dodge/Plymouth Mini Wagon: S	118,463 8.4%	X	X	X	X	X		0			

MODEL YEAR 19 85 MAKE/MODEL	UNIT VOLUME & % OF TOTAL SALES (CAR & TRUCK)	PHASS NOT REQUIRED					VOLUNTARY COMPLIANCE STD(S) OR OPT(O) WITH PHASS				
		108 CHMSL	202 HEAD RESTRAINTS	208 PASSIVE RESTRAINT	214 SIDE DOOR STRENGTH	216 ROOF CRUSH	108 CHMSL	202 HEAD RESTRAINTS	208 PASSIVE RESTRAINT	214 SIDE DOOR STRENGTH	216 ROOF CRUSH
Dodge Conventional Pickup: (D,W - 1,2,3) D-1,2,3,5,6,7	157,886 9.2%	X	X	X	X	X					
Dodge/Sport Utility: (AD, AW) D-4,8	37,052 2.2%	X	X	X	X	X		S			
Dodge Dakota: R	N/A	X	X	X	X	X					
Dodge/Plymouth Ramcage/Scamp: L-28	N/A	X	X	X	X	X					
Dodge Full Size Van: B-1, 2, 3	70,115 4.1%	X	X	X	X	X					
Dodge/Plymouth Wagon: B-1,2, 3	44,330 2.6%	X	X	X	X	X					
Dodge Minivan: S	26,654 1.6%	X	X	X	X	X					
Dodge/Plymouth Mini Wagon: S	215,842 12.6%	X	X	X	X	X		0			

MODEL YEAR 19 86 MAKE/MODEL	UNIT VOLUME & % OF TOTAL SALES (CAR & TRUCK)	FMVSS NOT REQUIRED					VOLUNTARY COMPLIANCE STD(S) OR OPT(O) WITH FMVSS				
		108 CHMSL	202 HEAD RESTRAINTS	208 PASSIVE RESTRAINT	214 SIDE DOOR STRENGTH	216 ROOF CRUSH	108 CHMSL	202 HEAD RESTRAINTS	208 PASSIVE RESTRAINT	214 SIDE DOOR STRENGTH	216 ROOF CRUSH
Dodge Conventional Pickup: (D,W - 1,2,3) D-1,2,3,5,6,7	114,104 7.4%	X	X	X	X	X					
Dodge/Sport Utility: (AD, AW) D-4,8	20,815 1.4%	X	X	X	X	X		S			
Dodge Dakota: M	4,100 0.3%	X	X	X	X	X					
Dodge/Plymouth Ramcase/Scamp: L-28	N/A	X	X	X	X	X					
Dodge Full Size Van: B-1, 2, 3	66,595 4.3%	X	X	X	X	X					
Dodge/Plymouth Wagon: B-1,2, 3	37,587 2.4%	X	X	X	X	X					
Dodge Minivan: S	14,722 1.0%	X	X	X	X	X					
Dodge/Plymouth Mini Wagon: S	217,767 14.1%	X	X	X	X	X		O			

MODEL YEAR 19 87 MAKE/MODEL	UNIT VOLUME & % OF TOTAL SALES (CAR & TRUCK)	FMVSS NOT REQUIRED					VOLUNTARY COMPLIANCE STD(S) OR OPT(O) WITH FMVSS				
		108 CHMSL	202 HEAD RESTRAINTS	208 PASSIVE RESTRAINT	214 SIDE DOOR STRENGTH	216 ROOF CRUSH	108 CHMSL	202 HEAD RESTRAINTS	208 PASSIVE RESTRAINT	214 SIDE DOOR STRENGTH	216 ROOF CRUSH
Dodge Conventional Pickup: (D,W - 1,2,3) D-1,2,3,5,6,7	94,875 5.7%	X	X	X	X	X					
Dodge/Sport Utility: (AD, AW) D-4,8	23,968 1.5%	X	X	X	X	X		S			
Dodge Dakota: M	100,856 6.6%	X	X	X	X	X					
Dodge/Plymouth Ramcase/Scamp: L-28	N/A	X	X	X	X	X					
Dodge Full Size Van: B-1, 2, 3	74,235 4.5%	X	X	X	X	X					
Dodge/Plymouth Wagon: B-1,2, 3	35,922 2.2%	X	X	X	X	X					
Dodge Minivan: S	18,173 1.1%	X	X	X	X	X					
Dodge/Plymouth Mini Wagon: S	260,486 15.8%	X	X	X	X	X		O			

CHRYSLER MOTORS BUMPERS

The following 1987 model year U.S.-built Chrysler Motors cars have bumpers meeting the 1980 (Phase II) 5 mph bumper standard.

Chrysler Fifth Avenue

Dodge Diplomat

Plymouth Grand Fury

LeBaron Convertible

Senator GORE. Good timing. Thank you very much.

Our next witness is Mr. Robert Munson with the Ford Motor Company.

Welcome and please proceed.

Mr. MUNSON. Thank you, Mr. Chairman. Ford appreciates the opportunity to share with you our views on highway safety issues.

The record shows that recent efforts to improve highway safety in the United States are paying off, and Ford is proud to have played a role in furthering the cause of safety. We are the only U.S. automobile company to offer a supplemental driver side air bag and the only company in the world to offer this technology on a moderately priced car.

Ford is dedicated to continuously improving the safety excellence of its vehicles, focusing on the opportunities with the greatest potential for injury reduction for each type of vehicle. An example is Ford's decision to make rear wheel antilock brakes standard equipment on its 1987 model F-series pickup, the Bronco and Bronco II trucks. Ford believes this system is a major advancement in light truck brake technology.

With regard to multipurpose passenger vehicles safety requirements that were mentioned in S. 516, the roof structure of our light trucks, vans and utility vehicles meets or exceeds the roof crush standards for passenger cars. The high back seats that are available as optional equipment on Ford's Econoline van already meet the passenger head restraint standard, and we are investigating making this feature standard across the product line.

Ford also is studying what would be required to equip light trucks and multipurpose passenger vehicles with high-mounted stop lamps, even though stop lamps on trucks are already at the eye level of most drivers and, therefore, there may not be the same safety opportunity as there was for passenger cars.

Ford is designing all of its future new light truck and multipurpose vehicles with front outboard three-point safety belts to meet the same barrier impact test performance criteria as passenger cars equipped with passive restraint systems. Ford does have an active program under way to explore driver side supplemental air bags for certain of its van models.

As to side impact, there are substantial differences among the seating positions and structure of cars, light trucks and multipurpose passenger vehicles. So the appropriate strategy for trucks and multipurpose passenger vehicles may well be different than that determined for passenger cars.

It should be noted that most passenger car safety standards already apply to light trucks and multipurpose vehicles, but differences in car and truck accident statistics, physical characteristics and vehicle usage all have an impact on what makes the most sense for each type of vehicle. Legislation that adopts passenger car standards without regard to the unique characteristics of multipurpose vehicles and trucks will not necessarily serve the cause of safety.

As to other safety interests expressed by the committee, Ford believes that the vast majority of rear occupants are much better off wearing lap belts in accidents than they would be if they were unbelted. We presently equip our Merkur XR4TI models with three-

point safety belts in the rear outboard seating positions, and we plan to expand the use of these systems during the next few years.

We cannot support, however, requiring these systems for all passenger cars beginning with the 1990 model year because of constraints in resources cited earlier. Ford elected to comply with the first year passive restraint rule phase-in requirement by equipping the Ford Escort and the Mercury Lynx with a motorized two-point design. This system is more expensive than alternative passive belt systems, but we believe its comfort and convenience will provide a real safety benefit because it will result in higher usage rates.

Ford also is continuing to offer supplemental driver air bags on its Ford Tempo and Mercury Topaz four-door models. Ford plans to offer between 500,000 and 1 million air bag-equipped cars by the 1990 model year, assuming that NHTSA approves the pending amendment requested by Ford to amend the passive restraint rule. Ford plans to make passenger supplemental air bags available beginning in the 1989 model year, assuming the unique engineering and testing now underway prove out and an adequate supply base is available.

In this regard, we would point out that the phase-in period provided for in the passive restraint rule and leaving the choice between competing technologies open to manufacturers has played a critical role in providing a wide choice to consumers and an opportunity to generate real world data as to comparative effectiveness, usage rates and public acceptance.

In closing, I would like to offer the thought that increased safety belt and child restraint usage, new vehicle safety technology, grass root support for substance abuse programs and new emphasis on driver awareness and education demonstrate a spirit of shared concern that will assure that America continues its record of ever improving traffic safety.

Thank you.

[The statement and questions follow:]

STATEMENT OF ROBERT H. MUNSON, DIRECTOR, AUTOMOTIVE SAFETY OFFICE, FORD MOTOR CO.

Ford appreciates the opportunity to share our views on highway safety issues and to comment on the legislative proposals mentioned in the Committee's letter of invitation.

Ford believes that the record shows that recent efforts to improve highway safety in the U.S. are paying off. The U.S. fatality rate has fallen from 3.2 deaths per 100 million miles in 1981 to an all time low of 2.47 in 1985—the lowest U.S. fatality rate ever and the lowest of any industrialized nation in the world. Today's environment of heightened safety awareness would appear to be quiet favorable for further reductions in highway traffic fatalities and injuries. The combination of new vehicle safety technology, increased safety belt and child restraint usage, emphasis on keeping drunk drivers off the roads, improved driver education, and advancements in highway construction and design all should contribute to making the U.S. and even safer place to drive in the future.

Ford is proud to have played a role in furthering the cause of safety. We are the only U.S. automobile company to offer a supplemental, driver-side air bag and the only company in the world to offer this technology on a moderately-priced car. We also are sponsoring a national traffic safety program called "Scared Stiff", which is designed to increase awareness among students and others of the dangers of drunk driving and drug abuse, and have developed and donated to thousands of high schools a modern driver educational film series.

Despite the considerable progress that has been made in improving vehicle safety, there is no reason for complacency. Ford is dedicated to continuously improving the

safety excellence of its vehicles, focusing on the opportunities with the greatest potential for injury reduction for each type of vehicle.

An example is Ford's decision to make rear wheel antilock brakes standard equipment on its 1987 model F-series pick-up, Bronco and Bronco II trucks. Ford believes this system is a major advancement in light truck brake technology. The big advantage of a rear antilock brake system is that it keeps the rear wheels of the truck from locking up in most braking situations, and in every instance, it keeps the rear brakes from locking up before the front brakes, regardless of truck load or road conditions. This is particularly important in light trucks because the differences between empty and loaded conditions significantly affect the load at the rear tires. As long as the rear tires continue to roll, some lateral friction is maintained which keeps the vehicle tracking and helps the driver maintain proper control.

LIGHT TRUCK/MPV SAFETY

These actions demonstrate that Ford is committed to improving vehicle safety. We support the transfer of safety technology from cars to light trucks and multipurpose passenger vehicles (MPV's), and vice vera, where to do so is likely to result in a significant safety improvement; we do question the value of across-the-board application of standards developed for one class of vehicles to another. Ford presently is evaluating a number of safety technologies for potential application on MPV's and light trucks, including those addressed in S. 516. NHTSA is undertaking a similar analysis and is expected to release its findings in April. Reportedly, NHTSA's study will address the differences between passenger car and light truck safety, highlighting the areas where new requirements make sense because they can be expected to actually improve safety.

Federal Motor Vehicle Safety Standards (FMVSS) are essentially the same today for light trucks, MPV's and buses (see Exhibit I). With regard to the specific safety requirements mentioned in S. 516:

Roof Crush.—The roof structure of Ford's light trucks, vans and utility vehicles meets or exceeds the roof crush standards (FMVSS 216) for passenger cars.

Head Restraints.—The highback seats that are available as optional equipment on Ford's Econoline van already meet the passenger car head restraint standard (FMVSS 202). Ford is actively investigating what would be required to make this feature standard across all our product lines.

High-mounted Stop Lamps.—Ford is studying what would be required to equip all its light trucks and MPV's with high-mounted stop lamps, even though stop lamps on the trucks are already at the eye level of most drivers and therefore there may not be the same safety opportunity for these vehicles as was the case for passenger cars.

Passive Restraints.—Ford is designing all of its future new light truck and MPV products with front outboard 3-point safety belts to meet to same barrier test performance criteria as passenger cars equipped with passive restraint systems. With respect to the availability of passive restraint systems on Ford light trucks, it must be recognized that great demands are being placed on our restraint engineers and suppliers to meet the across-the-board requirement for passive restraints in passenger cars in the 1990 model year. We assume that these resource constraints apply to other manufacturers as well. Therefore, we cannot support requiring front seat passive restraint systems for MPV vehicles.

Ford has committed to produce between 500,000 and 1 million passenger cars equipped with driver-side air bags beginning in the 1990 model year. Also, Ford has an active program underway to explore a driver-side supplemental air bag system for certain of its van models. Air bag technology for the passenger side remains under development.

Side Impact Protection.—There are substantial differences among the seating positions and structures of cars, light trucks and MPV's (see Exhibit II). For this reason, side door beams in trucks would not play the important role that they do in helping to protect passenger car occupants. Moreover, there is considerable disagreement among safety experts in both the U.S. and Europe as to how to best protect occupants in side impacts. For believe that further work is required before setting truck and car standards and that the appropriate light truck strategy may well be different than that determined for passenger cars.

In summary, most passenger safety standards already apply to light trucks and MPV's. In some areas, Ford's truck specifications already match the car safety performance standards even though FMVSS requirements differ or have not been applied to non-passenger car vehicles. But one has to question whether safety benefits automatically will flow from extending all other passenger car requirements to

MPV's and light trucks across-the-board, especially considering that the criteria and test procedures of some of these standards have been tailored to fit passengers cars, not MPV's or trucks.

Differences in car and truck accident statistics, physical characteristics and vehicle usage all have an impact on what makes the most sense for each type of vehicle. Legislation that adopts passengers car standards without regard to the unique characteristics of MPV's and trucks will not necessarily serve the cause of safety.

REAR LAP/SHOULDER BELTS

Ford believes that the vast majority of rear occupants are much better off wearing lap belts in accidents than they would be if they were unbelted. Not only do rear safety belts help keep rear passengers from being ejected, but they also help prevent the rear passenger from being hurled forward and hitting front seat occupants.

Ford presently equips its Merkur XR4Ti models with three-point safety belts in the rear outboard seating positions, and we plan to expand the use of these systems during the next few years. Ford believes that these systems will probably provide increased protection for outboard occupants and that the passage of mandatory belt use laws should result in a supportive environment for their usage.

Ford believes that the improved seat belt use climate also may serve to stimulate demand for rear seat shoulder harnesses in existing vehicles. Accordingly, Ford is developing dealer-installed rear lap/shoulder belt accessory kits, which we plan to have available for all 1988 car lines during the model year.

However, we cannot support the mandate, called for in S. 516, that would require these systems for all passenger cars beginning with the 1990 model year. As we stated earlier, Ford and its suppliers face limitations on the number of restraint engineers that are available to support such an across-the-board effort. We believe that the success of these efforts is too important to be jeopardized.

CRASHWORTHINESS RATINGS

Ford supports the concept of providing consumers with relevant and usable information on the safety of its vehicles. However, we continue to be concerned as to whether there can be a crashworthiness rating system that will provide reliable, objective information to consumers. If a crashworthiness rating system is to be mandated by legislation, we agree with the precaution of asking the National Academy of Sciences to study whether a meaningful and reliable system can be developed.

PASSIVE RESTRAINTS

The Committee has also expressed an interest in manufacturers' plans for complying with the phase-in schedule of the passive restraint rule. Following NHTSA's issuance of a rule to phase in passive restraints, Ford focused on designs that not only would meet the passive requirements but also would strongly encourage belt usage and discourage disconnection. We also decided to follow design practices that would facilitate the installation of supplemental air bags on the assumption that technical issues would be resolved and market demand would grow for these systems.

Consistent with this policy, Ford elected to comply with the first-year passive restraint rule phase-in requirement by equipping the Ford Escort and Mercury Lynx with a motorized two-point design. This system is more expensive than alternative passive belt systems, but we believe its comfort and convenience will provide a real safety benefit because it will result in higher usage rates.

Ford also is continuing to offer supplemental driver air bags on its Ford Tempo and Mercury Topaz four-door models. To date, over 180 million miles have been accumulated on over 11,000 vehicles equipped with this system. In every instance where the bag should have deployed, it did, and in no case has it deployed inadvertently.

Ford plans to offer between 500,000 and one million air bag-equipped cars by the 1990 model year, assuming that NHTSA grants the pending Ford petition to amend the passive restraint rule.

With respect to the passenger side, Ford plans to make supplemental air bags available beginning in the 1989 model year, assuming the unique engineering and testing now under way prove out and that an adequate supply base is available.

In this regard, we would point out that the phase-in period provided for in the passive restraint rule (FMVSS 208) and leaving the choice between competing technologies open to manufacturers has played a critical role in providing a wide choice to consumers and an opportunity to generate real world data as to comparative ef-

fectiveness and public acceptance. Without it, manufacturers certainly would have been able to explore fewer technology options, and there would not have been an opportunity to gauge customer reaction to various systems. It also provided a very important consumer education opportunity, which we believe is so necessary to the acceptance of air bag technology.

The Committee also asked about the bumper performance of Ford pasenger cars. The bumper impact performance levels of all Ford passenger cars sold in the U.S. are at least 5-MPH Phase I. This is Ford's minimum test requirement. Many of our bumpers exceed this performance level and some probably will meet 5-MPH Phase II criteria, but we do not specifically test to those criteria.

In closing, I'd like to offer the thought that we are on the threshold of some real traffic safety breakthrough because there is an aura of common purpose in traffic safety today. Safety belt and child restraint usage, new vehicle safety technology, grass roots support for substance abuse programs, and new emphasis on driver awareness and education demonstrate a spirit of shared concern that will assure that America continues its record of ever-improving traffic safety.

Exhibit I

FEDERAL MOTOR VEHICLE SAFETY STANDARDS (FMVSS)

FMVSS Number	Car	LT	MPV	Bus	Motorcycle
100 SERIES Crash Avoidance					
101 Controls, Location & Identification	●	●	●	●	
102 Transmission Shift Lever Sequence	●	●	●	●	
103 Windshield Defrosting & Defogging	●	●	●	●	
104 Windshield Wiping & Washing System	●	●	●	●	
105 Hydraulic Brake System	●	●*	●*	●*	
106 Brake Hoses	●	●	●	●	●
107 Reflecting Surfaces	●	●	●	●	
108 Lights and Reflectors	●	●	●	●	●
109 New Tires for Passenger Cars(1)					●
110 Tire Selection & Wheels for Passenger Cars	●				
111 Rearview Mirrors	●	●	●	●	
112 Headlamp Concealment Devices	●	●	●	●	
113 Hood Latch System	●	●	●	●	
114 Theft Protection	●	●	●		
115 Vehicle Identification Number (Location)	●	●	●	●	
116 Hydraulic Brake Fluids	●	●	●	●	●
117 Retreaded Tires					●
118 Power Operated Window Systems	●	●			
119 New Tires for Trucks, Buses, etc					●
120 Tire Selection & Wheels for Trucks, Buses, etc		●	●	●	●
121 Air Brake Systems			●	●	
122 Motorcycle Brake Systems					
123 Motorcycle Controls, Displays					
124 Accelerator Control Systems	●	●	●	●	
125 Warning Devices					●
126 Truck-Camper Loading		●			●
200 SERIES Occupant Protection					
201 Occupant Protection in Interior Impacts	●	●*	●*	●*	
202 Head Restraints	●				
203 Steering Wheel Impact Protection	●	●*	●*	●*	
204 Steering System Rearward Movement	●	●*	●*	●*	
205 Glazing Materials	●	●	●	●	●
206 Door Locks & Hinges	●	●	●		
207 Anchorage of Seats	●	●	●	●	
208 Occupant Restraints	●	●	●	●	●
209 Seat Belt Assemblies(1)	●	●	●		●
210 Seat Belt Anchorages	●	●	●	●	

FMVSS/CFR Number	Car	LT	MPV	Bus	Motorcycle
211 Wheel Nuts, Wheel Discs & Hub Caps	●	●			●
212 Windshield Mounting	●	●*	●*	●*	
213 Child Restraint System	●	●	●		●
214 Side Door Strength	●				
215 Exterior Protection	●				
216 Roof Crush Resistance	●				
217 Bus Window Strength & Emergency Release				●	
218 Motorcycle Helmets					
219 Windshield Zone Intrusion	●	●*	●*	●*	
220 School Bus Rollover Protection				●*	
221 School Bus Body Joint Strength				●*	
222 School Bus Seats				●*	
300 SERIES Post Crash Protection					
301 Fuel System Integrity	●	●*	●*	●*	
302 Flammability of Interior Materials	●	●	●	●	
49 CFR PART NO. - Code of Federal Regulation (CFR) Parts					
– Importation of Motor Vehicles & Equip	●	●	●	●	●
512 Confidential Business Information					
541 Theft Prevention	●				●
565 Vehicle Identification Number (Content)	●	●	●	●	
566 Manufacturers Identification	●	●	●	●	●
567 Certification	●	●	●	●	
568 Vehicles Manufactured in 2 or More Stages	●	●	●	●	
569 Regrooved Tires	●				●
570 Vehicles-In-Use Inspection	●	●	●	●	
572 Anthropomorphic Dummy (Test Equip.)	●				●
573 Defect Reports	●	●	●	●	
574 Tire Identification & Record Keeping	●	●	●	●	●
575 Consumer Information					
.101 Vehicle Stopping Distance	●				
.103 Truck Camper Loading		●			
.104 Uniform Tire Quality Grading					●
576 Record Retention	●	●	●	●	
577 Defect Notification	●	●	●	●	●
579 Defect & Non Compliance Responsibility	●	●	●	●	●
580 Odometer Disclosure Requirements	●	●	●	●	
581 Bumper Standard	●				
582 Insurance Cost Information	■				

(1) Vehicle application is implied or is specified in other FMVSS
* Applicability or requirements vary for specific vehicle types or GVWR

Notes on car standards that do not apply to trucks:

Side Impact Protection. As Exhibit II shows, there are substantial differences among the seating positions and structures of cars, light trucks and MPV's.

Bumpers. Because of the differences in height due to different commercial design requirements, there is no way to standardize bumper heights for trucks. The ability to "match" bumper heights provides the greatest benefit in the case of passenger cars.

Roof Crush. The roof structure of all Ford light truck and MPV's meet or exceed the roof crush standards for passenger cars.

Head Restraints. The high-back seats that are available as optional equipment on Ford's Econoline vans already meet the passenger car head restraint standards.

Passive Restraints. Ford is designing its future new light-truck and MVP products to meet the same barrier test performance criteria as passenger cars equipped with passive restraint systems, and Ford has an active program underway to explore a driver-side supplemental air bag system for certain of its van models.

Exhibit II

FORD "H-POINT" COMPARISON

Ford Vehicles	Driver "H-Point" Height Above Ground a/	Above Bumper Impact Zone b/
F-Series/Bronco	30.3 - 38.5"	11.3 - 19.5"
Econoline	35.7 - 40.1"	16.7 - 21.1"
Ranger/Bronco II	25.7 - 29.0"	6.7 - 10.0"
Aerostar	32.0 - 32.2"	13.0 - 13.2"
Ford Cars	17.2 - 20.7"	0 - 1.7"

a/ Range for trucks due to tire/suspension changes for various GVWs. Range for car reflects lowest (EXP) and highest (Crown Victoria Station Wagon) "H-points" for all Ford cars sold in North America.

b/ 16-19" above ground (Part 581).

LIGHT TRUCKS

FMVSS Definitions a/	Ford Model	1986 Sales Volume (000)	1986 Mix
Light Trucks "Motor vehicle... designed primarily for transportation of property or special purpose equipment."	F-150-350	544	41%
	Ranger	284	22
	E-150-350 (Vans)	175	13
	Aerostar Van	28	2
		1031	78%
MPVs "Motor vehicle... designed to carry 10 persons or less which is either constructed on a truck chassis or with special features for occasional off-road operation."	Bronco II	109	8%
	Aerostar Bus	106	8
	Bronco	52	4
	Club Wagon (≤ 10 pass.)	12 b/	1
		279	22%
Bus "Motor vehicle... designed to carry more than 10 persons."	Club Wagon (> 10 pass.)	14 b/	1
TOTAL		1324	100%
Car Total		1980	-
Truck % of Car & Truck		-	40%

a/ FMVSS requirements are essentially the same for all these classes of trucks. There are no significant differences (i.e., normal pickups, Econoline, Bronco, Aerostar meet same requirements). Differences are primarily due to unique commercial truck derivatives [e.g., Fwd control (exempt from 212), chassis cab, open bodied vehicle, etc.].

b/ Breakdown of Sales Volume for Club Wagon between MPV and Bus based on production volumes.

Robert H. Munson
Director
Automotive Safety Office
Environmental and Safety
Engineering Staff

Ford Motor Company
The American Road
Dearborn, Michigan 48121

March 13, 1987

Honorable Albert Gore, Jr.
United States Senate
Committee on Commerce, Science,
and Transportation
Washington, D.C. 10510-6125

Dear Senator Gore:

Attached are answers to the questions that were enclosed with your March 6, 1987 letter. I appreciated the opportunity to testify before your Subcommittee and will be pleased to provide any additional information you may require.

Sincerely,

R. H. Munson

Attachment

Question from Senator John Danforth

Q. "Last year, Ms. Petrauskas committed Ford to putting close to a million driver-side air bags in cars beginning in model year 1990. She also said that at the end of the extension period sought under the Ford air bag petition, Ford would be putting full front seat air bags in the majority of its cars. She said that very shortly Ford was going to be making a bet-your-company kind of commitment to air bags. What steps has Ford taken since last year to bring it closer to that commitment today?"

A. Mrs. Petrauskas indeed testified that, beginning in the 1990 model year, Ford is committed to installing driver-side supplemental air bags on a very large volume of vehicles -- and that the expected number per year is closer to 1 million than to 500,000. She also stated that Ford's current plan with respect to passenger-side supplemental air bag systems was to try to offer the first such system in the 1989 model year. However, she could not make as strong a commitment to passenger-side air bags as to driver-side air bags because additional work remained to be done. She anticipated that, in 1994 and following model years, supplemental air bags would become the predominant passive restraint in Ford vehicles; whether a manufacturer could go to 100 percent air bags would be, to a large extent, a function of both public acceptance and cost. Because the 1994 model year was so far in the future, she necessarily had to speculate on these matters.

Ford has taken that risk on driver-side air bags. In January 1987, Ford discontinued the parallel design and development of passive belt systems for its most popular family sized car lines. We have committed our passive restraint resources for those lines solely to the design and development of a driver-side supplemental air bag system. Should NHTSA decide not to extend the "one-car credit" as proposed in Docket 74-14; Notice 48, Ford could face the possibility of being unable to market those car lines in the 1990 model year because insufficient time might remain in which to engineer a different restraint system.

In addition, Ford has increased its financial commitments to its air bag suppliers and, in particular, is pressing forward on development of passenger-side supplemental air bags. Competitive considerations constrain us from being more specific.

Questions from Senator Albert Gore

Q1. "In your statement you say you oppose requiring rear lap-shoulder belts in all vehicles by 1990 because of limitations on your restraint engineering staff. When do you think these belts could be installed in all vehicles?"

A. We cannot specify a date at this time. We are in the process of evaluating the workload and timing issues -- particularly as related to those engineering design and test personnel who are required to develop rear seat 3-point seat belts for passenger cars. We also are studying the feasibility of installing rear seat 3-point belts in our truck lines. In each instance, our plans have not been completed.

Q2. "Other auto company witnesses described the availability of retrofit kits for rear lap-shoulder belts for their cars. Would you please describe Ford's retrofit program?"

A. As a first step, Ford is developing accessory rear seat 3-point belt systems for installation by dealers in 1988 model year cars. We expect to be able to make them available during the 1988 model year. Consideration will be given later to developing accessory kits for earlier models.

Q3. "How do your customers like the motorized belts? Do they see them as an improvement over the passive belts?"

A. Marketing research conducted during the development of the 1987 model year Escort/Lynx motorized passive restraint system indicated that the motorized 2-point belt was preferred over other alternatives. Production of cars equipped with these 2-point motorized systems began only late last year. Consequently, there are not yet enough of those cars on the road to permit extensive research. Additional market research is planned once a sufficient number of these vehicles are on the road.

Q4. "How many air bag equipped cars do you expect to sell this year? How many in 1988, 1989, 1990?"

A. In the 1987 model year we expect to sell 10,000 to 12,000 Tempo/Topaz vehicles equipped with supplemental driver-side air bags. In the 1988 model year, we expect to sell about the same number. In the 1989 model year, when supply constraints will have eased, we expect to sell between 50,000 and 100,000 cars equipped with supplemental air bags. In the 1990 model year, we expect to sell between 500,000 and 1,000,000 cars equipped with supplemental air bags. (Please see also the response to Senator Danforth's question.)

Q5. "What does your company do to encourage consumers to bring their cars in for recall remedies?"

A. Ford employs a number of programs that seek to maximize the return of vehicles to dealers for recall remedies. A press release typically is issued at the time a recall program is announced. In addition to the recall notification required by law, Ford typically sends at least two follow-up notices to owners who do not respond to notification. Moreover, Ford has computer data banks directly accessible to dealers by terminal or push button telephone called CARES (Computer Assisted Recall System) and OASIS (Online Automotive Service Information System) that allow its dealers to determine whether recall services have not been performed on a particular vehicle as identified by its Vehicle Identification Number. Ford urges its dealers to routinely check this data bank for all cars brought in for any type of service.

Q6. "What is your company doing to promote and educate the public about passive restraints? About safety belt laws?"

A. Ford has aggressively promoted and sought to educate its dealers, dealer salespeople and the public about its passive restraint systems. Over the past year, Ford personnel have conducted approximately 30 public air bag demonstrations around the country. Advertising brochures, print media advertisements, and special displays have been developed and widely used to promote air bag restraint systems.

Ford also has actively supported public education regarding the benefits of wearing safety belts. Because Ford believes that air bags supplement safety belts, we have actively participated in promoting safety belt use, including support of the industry association, Traffic Safety Now, devoted to such promotion. The primary thrust of Ford's efforts has been to encourage safety belt use by vehicle occupants, regardless of whether their state has enacted a mandatory belt use law.

Senator GORE. Thank you very much. We certainly appreciate it.

Our final witness on this panel is Mr. David Martin, Director of Automotive Safety Engineering with the General Motors Technical Center in Warren, Michigan.

Mr. Martin, before you give us a summary of your testimony, I want to note for the record that you personally have testified before Congress on numerous occasions concerning these issues of car safety and design. You are a well-respected voice in the Senate.

I understand that this is your last such appearance, since you are leaving General Motors today after 30 years of service with the company, so I would like to thank you for your efforts today and in the past, and the subcommittee wishes you well as you go on from this career.

Mr. MARTIN. Thank you, Mr. Chairman. I appreciate those remarks very much. I leave with mixed emotions. It is a very important job in which we have been involved at GM, and I am turning it over to a very capable man, Mr. Robert A. Rogers. I am sure he will carry on and do an excellent job.

GM welcomes the opportunity to discuss our commitment and contributions to vehicle safety and to present our views on the provisions of the authorization legislation from the last Congress and recently introduced safety legislation S. 516. Before commenting on the proposed legislation, we would first like to review some background information which should be helpful to an understanding of our views on legislated rulemaking.

GM has always had a strong commitment to improved product safety, from the 1920s when we pioneered safety glass to the 1980s when we will introduce rear lap/shoulder belts as standard equipment and more air bags.

Many of GM's product innovations have not been written into regulations, such as side guard beams and energy-absorbing steering columns, and many regulations employing testing technology and injury criteria have flowed from GM research and development. The test dummies specified in the passive restraint legislation, the part 572 and Hybrid III dummies, are GM developments.

The injury criteria in the passive rule, femur loads, chest accelerations and head injury criteria, can all be traced back to GM research.

As an example of GM's efforts to increase safety awareness in the public, we are sole sponsors and advertiser for the driver education magazine, In Motion, which is being provided free of charge by driver education teachers to more than 1 million high school students around the country.

Additionally, GM and the American Medical Association have jointly sponsored a videotape on seat belt use which is being widely distributed.

Returning to passive restraints, GM is complying with the first year phasing requirements of the passive rule by installing three-point automatic lap/shoulder belts. We believe that this system will provide our customers with excellent overall protection.

The decision was made to produce a three-point automatic belt system because it, like the current manual lap/shoulder belts, provides restraint in a broad range of accident conditions. Because a lap belt is included in GM's three-point automatic belt system, the

likelihood of occupant ejection, an event associated with 25 percent of fatal injuries, is reduced. These systems are being installed on seven current GM models.

General Motors will offer an air bag option for the driver position on Delta 88 Oldsmobiles beginning next model year. This option will enable our customers who so choose to supplement the protection offered by the manual lap shoulder belt system. Yesterday, GM announced plans to provide approximately 500,000 driver side air bags as standard equipment on selected model lines beginning with the 1990 model year.

In addition to the aforementioned programs, the driver air bag concept has been approved for other model lines during the 1991 and 1992 model years. These programs should result in the production of nearly 3 million driver air bags during the 1992 model year.

Concerning our position on legislating regulations, we believe this information demonstrates that GM is committed to both improved product safety and improved regulation. GM does not oppose the basic purpose of the proposals included in S. 516. The question is one of how to best accomplish what we all desire.

For example, it seems evident that the passive restraint rule is achieving its purpose. The agency is publicly committed to a new side impact rule and has received a petition to review classification of light trucks and vans, and we agree it is time to review these classifications. Finally, we believe that our initiative on rear seat lap shoulder belts will be followed by other manufacturers, and we would not oppose appropriate rulemaking in this area.

In summary, it seems evident that good progress in highway safety is being made with contributions from the private and public sectors in an atmosphere of cooperation. We believe that the NHTSA is fostering this cooperative atmosphere while promoting effective regulation through flexible and innovative rulemaking. General Motors believes that this flexible approach is in the public interest and should not be discouraged through legislative rulemaking which is apt to be wasteful and perhaps even counterproductive.

Thank you.

[The statement and questions follow:]

STATEMENT OF GENERAL MOTORS CORP.

I am David Martin, director, Automotive Safety Engineering, for General Motors. GM welcomes the opportunity to discuss our commitment and contributions to vehicle safety, and to prevent our views on the provisons of the National Highway Traffic Safety Administration (NHTSA) authorization bills from the last Congress (S. 863, H.R. 2248) and recently introduced legislation, S. 516. Before commenting on the proposed legislation, we would first like to review some background information which should be helpful to an understanding of our views on legislated rulemaking.

GM'S SAFETY COMMITMENT

GM has always had a strong commitment to improve product safety. In the 1920's, we pioneered safety glass; in the 1930s, improved structures and brakes; in the 1940s, direction signals and day/night rear view mirrors; in the 1950s, improved test technology; in the 1960s, energy absorbing steering columns and side guard beams; in the 1970s, air bags. And, in the 1980s, we are introducing rear lap/shoulder belts and reintroducing air bags, which we pioneered over a decade ago.

Many of GM's product innovations have now been written into regulations, such as side guard beams and energy absorbing steering columns. And, many regulations employ testing technology and injury criteria that flow from GM's research and de-

velopment. For example, the test dummies specified in the passive restraint regulation—the Part 572 and Hybrid III dummies—are GM developments. And the injury criteria in the passive restraint rule—femur loads, chest acceleration and head injury criteria—can all be traced back to GM research.

While on the subject of passive restraints, we should point out that GM has been the unquestioned leader in the development of air bag technology. For instance, take the critical problem of managing the inflation force risk to occupants—both adult and children—who may be caught in the path of an inflating air bag. The basic GM technology for handling this problem has been published in the technical literature and it is essential to the development of a safe air bag. A poorly designed air bag system—one that does not comprehend the inflation force risk—can induce serious injuries to persons who would not otherwise have been injured in a deployment accident.

In yet another area, GM has for years given high priority to built-in safety. As mentioned earlier, such items as the energy absorbing steering column and instrument panels and the high penetration resistant windshield all provide built-in safety, which is the first line of protection for both restrained and unrestrained occupants. We add to this foundation of built-in safety by means of safety belts or air bags.

We have continuing efforts to improve built-in safety through a plan, called our Vehicle Safety Improvement Program, or VSIP. This existing program was formalized and expanded in 1982 when the NHTSA called on the auto industry to pursue safety improvements in a spirit of cooperation with government.

VSIP has brought about improvements to door latches, hinges, steering columns, steering wheels and instrument panels, all of which are passive in nature because they do not require action on the part of the occupant.

In addition, we are installing lap/shoulder belts at the outboard seats in the rear of our light trucks, multi-purpose vehicles and passenger cars. And, we are expanding the application of anti-lock brake systems which are now standard equipment on five models, and are available as an option on five more.

PASSIVE RESTRAINT REQUIREMENTS

GM is complying with the first year phase-in requirements of the motor vehicle standard No. 208 by installing three-point automatic lap/shoulder belts. We believe that this system will provide our customers with excellent overall protection. The decision was made to produce a three-point automatic belt system because it, like our current manual lap/shoulder belt, provides restraint in a broad range of accident conditions. This system does not require additional effort by the occupant to fasten a lap belt. Because a lap belt is included in GM's three-point automatic belt system, the possibility of occupant ejection, an event associated with 25 percent of fatal injuries, is reduced. These systems are being installed on the 1987 Buick Somerset, Skylark and LeSabre, Oldsmobile Calais and Delta 88, and the Pontiac Grand Am and Bonneville.

General Motors will offer an air bag option for the driver position on the Oldsmobile Delta 88 beginning next model year. This option will enable our customers, who so choose, to supplement the protection offered by the manual lap/shoulder belt system. This option is being considered for an additional model in the 1989 model year.

Also, GM's plan to provide additional air bags depend on the NHTSA adopting its proposal to allow compliance with the passive restraint rule by means of a driver-only, non-belt passive restraint through the 1993 model year. And it should be stressed that the flexibility this rule change can provide will result in far more air bags, sooner, than would be the case with the current rule. In effect, this change would break the long-standing air bag logjam.

It is important to add that even with air bags, it is necessary to wear safety belts. We are proud of our support for state safety belt use laws, which now cover tens of millions of Americans.

REAR LAP/SHOULDER BELTS

Last year GM announced its plans to install lap/shoulder belts in the rear outboard seating position of all its passenger cars, light trucks and vans by the end of the 1989 model year. These systems are being installed on a phase-in basis beginning with the 1987 Cadillac Seville and Eldorado, Buick Riviera, Oldsmobile Toronado and the 1988 Chevrolet Corsica and Beretta, which are soon to be announced. We have also made available rear lap/shoulder belt dealer accessory packages for all 1980 and later passenger cars and many additional 1976–1979 passenger cars. At-

tachment A provides the details of these programs. Please note that we have priced these systems at below cost to GM to encourage our customers to purchase this enhanced protection.

We agree with the National Transportation Safety Board that rear lap/shoulder belts are superior to lap belts, but our studies and those of others (NHTSA and the University of North Carolina Highway Safety Research Center) support the continued use of available lap belts. GM would not oppose a regulation requiring lap/shoulder belts in the rear outboard positions were it promulgated in an orderly manner.

GM'S POSITION ON LEGISLATING REGULATIONS

GM is committed to both improved product safety and improved regulations. GM believes that regulations must strike a balance between society's concern for improving safety and its understandable resistance to unnecessary or impracticable ways of gaining the desired improvements. The National Traffic and Motor Vehicle Safety act of 1966 created a system to accomplish this balance. Under the Act, Congress determines the nation's broad safety goals, while government agencies, following established rulemaking procedures, set specific performance standards that not only enable the country to meet those goals, but do so in a manner acceptable to the public. Manufacturers are free to determine what hardware will be used to meet those standards. This process has helped to ensure that the benefits and the costs of proposed rules are calculated and weighed against each other and that technological considerations affecting the timing of new rules are taken into account. This process enables the government through the administrative rulemaking process to base its regulatory programs on more detailed engineering information than a legislative debate could typically accommodate.

GM believes that new regulations, or regulatory changes should be developed in a climate that is more conducive to the realization of effective regulations that are reasonable, practicable and appropriate for the vehicle to which they are applied. These are all provisions of the Safety Act of 1966.

PROPOSED LEGISLATION

GM does not oppose the basic purpose of many of the proposals included in the legislation under consideration, such as: crashworthiness ratings, improved side impact protection, education on air bags, additional regulations on light trucks and multi-purpose vehicles, and the review of vehicle classification. The question is one of how best to accomplish what is desired. What are the specific objectives, and how do we best meet them?

With regard to the side impact provisions of the proposed legislation, we believe such a mandate is unnecessary. The NHTSA is already actively pursuing this extremely complex issue and is gathering information from the world safety community upon which to base a revised side impact standard. GM has participated in the NHTSA's public meeting, and provided new data on human tolerance and performance objectives. We agree with the need for a change in the current standard (which is based on GM's side guard beams), now twenty years old. However, our recent studies—which have been given to the NHTSA—reveal how complex the challenge is and how easy it would be to write a standard that was wasteful or even counterproductive. For example, our studies indicate that designers will be directed one way if an acceleration-based injury criterion is used and in an opposite direction if a new viscous injury criterion is used. Similarly, the best selection of a test speed and test dummy can have a complex and disturbing influence on the effectiveness of a standard. In short, there are many pitfalls in this highly complex matter and we are deeply concerned that legislation forcing the agency to meet certain dates is likely to yield a wasteful or even counterproductive rule.

It is proposed that a study be undertaken of crashworthiness ratings. Since 1972, when the Motor Vehicle Information and Cost Savings Act became law, crashworthiness has been studied many times in an effort to develop a reasonable system which could properly represent the results of real world accidents. The NHTSA sponsored a study by the General Electric company that documented the nature of the problem. In 1980, the NHTSA sponsored a major conference in Lancaster, Pennsylvania. It became evident to the conference participants that there was no reliable procedure which could serve as a passenger car crashworthiness rating scheme as the term crashworthiness is defined in the Cost Savings Act. The definition in the Act clearly establishes that crashworthiness means the protection provided in real world accidents. There were and are no known tests or other procedures that can comprehend properly the wide variety of accidents that occur on the nation's roads.

GM has been the leader in developing crash test technology. We use it in developing our cars, and we understand its limitations. Because we do use it, we are confident that any credible rating system will show GM cars in a favorable light. But we do not support the proposed National Academy of Science study because we do not believe it will yield an insight that does not already exist.

We are aware of the recent petition by the Insurance Institute for Highway Safety to review the definitions of various vehicles (light trucks and multi-purpose vehicles) and agree that this should be done. We will, of course, offer comments to the regulatory proposal when it is issued. We see no need for legislation.

Concerning the application of passenger car standards to light trucks and multi-purpose vehicles, it would be, in our view, a mistake to assume that passenger car standards should be applied to other classes of vehicles simply because they carry passengers. Because different vehicles have different geometries, structures and uses, it would be wrong to assume that they should meet the same standards. This is why the Safety Act specifically directed the Secretary to consider whether any proposed standard is "appropriate for the particular type of motor vehicle . . . for which it is prescribed."

It is also wrong to assume that motorists are at risk simply because there is no standard applicable to a particular vehicle. GM light trucks and vans have good roof strength—they do meet the passenger car standard. We develop our light trucks and vans under the same GM Vehicle Safety Improvement Program as we do passenger cars. While standards can be worthwhile, the lack of a standard is not necessarily a safety concern. In any event, we believe the NHTSA should not be constrained by legislation on the matter.

Finally, we would like to offer our encouragement on two matters, (1) the importance of a Research and Development Advisory Committee in the NHTSA, and (2) the need to pursue even more vigorously the collection of field accident data.

GM believes that one of the keys to continued improvements in highway safety is a better understanding of fundamental technology, such as better injury criteria. The further we progress, the more complex the technological questions become—as noted in the case of side impact protection. The existence of a Research and Development Advisory Committee in the NHTSA, comprised of experts from industry, government, academia and related activities could serve to improve everyone's understanding of technological opportunities, limitations and needs. We support such a committee.

We also believe that one of the most important safety endeavors is the pursuit of good field accident data. Most safety innovations have resulted from field accident data: the energy absorbing steering column, the high penetration resistant windshield and improved door hinges and latches. GM's Vehicle Safety Improvement Program is guided by NHTSA's field data on how and by what people are being injured in real accidents. Our next generation of air bags will be improved by what we have learned from our studies of air bag accidents. Continuing efforts to gather even better field accident data deserve strong support.

SUMMARY

It seems evident that good progress is being made in developing safer vehicles with contributions from the private and public sectors in an atmosphere of cooperation. We believe that the NHTSA is fostering this cooperative atmosphere while promoting effective regulation through flexible and innovative rulemaking. General Motors believes that this flexible approach is in the public interest and should not be discouraged through legislated rulemaking which is apt to be rigid, wasteful and perhaps counterproductive.

STATUS REPORT—FEBRUARY 12, 1987; GENERAL MOTORS RETROFIT KIT PROGRAM FOR REAR LAP SHOULDER BELTS

General Motors will continue to provide a dealer installed accessory for rear lap/shoulder belts (outboard positions) for passenger cars, light trucks, and vans. Newly engineered accessory kits for many GM passenger cars are already available, with the remainder expected to be available within a few months. Trucks and vans are to follow.[1]

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[1] The provision for rear shoulder belt anchorages in cars is a requirement of FMVSS 210. That standard does not require those anchorages in trucks or vans; however, GM has installed them voluntarily.

The updated kits for automobiles incorporate customer convenience improvements compared to the retrofit kits offered in the past. The old design was such that the shoulder belt could be disconnected from the lap belt. The updated design is a one piece lap/shoulder belt.

The model years for which kits are being engineered and made available for passenger cars are shown on the attached information sheet (#1). All models are covered back through 1980 and some back through 1976. About 92% of the GM cars on the road going back 10 years are covered.

The passenger car accessory kits are priced at $99 Suggested Retail List Price. This price is below cost to General Motors and has been established to encourage our customers to purchase this enhanced protection belt system. Installation cost will vary depending upon dealer labor rate and the different installation time for the different cars. Installation times range from one to three hours.

Owners Manuals for GM cars have and will continue to reference the availability of the rear seat belt accessory as shown on the sample attachment (#2). National advertising about safety belts includes reference to the availability of the retrofit kits (see attached ad, #3). We are also approaching the insurance industry to encourage them to include information in their communications to policyholders about the availability of the retrofit kits. Other promotional efforts are under consideration.

INFORMATION FROM GENERAL MOTORS—DEALER-INSTALLED REAR SEAT LAP/SHOULDER SAFETY BELTS

Revised dealer-installed optional outboard rear seat lap and shoulder safety belts with black webbing are available for the following GM passenger cars:

1976–1987 T	Chevrolet Chevette, Pontiac T-1000.
1977–1986 B, D, C (RWD)	Chevrolet Impala and Caprice, Pontiac Parisiene, Buick LeSabre and Electra, Oldsmoble Delta 88 and 98, Cadillac Fleetwood and De Ville.
1979–1985 E	Buick Riviera, Oldsmobile Toronado, Cadillac Eldorado.
1980–1985 K	Cadillac Seville.
1986 E, K	Buick Riviera, Oldsmobile Toronado, Cadillac Eldorado and Seville.
1980–1985 X	Chevrolet Citation, Pontiac Phoenix, Buick Skylark, Oldsmobile Omega.
1982–1986 A	Chevrolet Celebrity, Pontiac 6000, Buick Century, Oldsmobile Cutlass Ciera.
1982–1986 J	Chevrolet Cavalier, Pontiac J2000/Sunbird, Buick Skyhawk, Oldsmobile Firenza, Cadillac Cimarron.
1985–1986 C, H	Buick Electra and LeSabre, Oldsmobile 98 and Delta 88, Cadillac De Ville.
1985–1986 N	Pontiac Grand AM, Buick Skylark and Somerset, Oldsmobile Calais.
1978–1981 [1] F	Chevrolet Camaro, Pontiac Firebird.
1982–1986 F	Chevrolet Camaro, Pontiac Firebird.
1978–1986 [2] G, A (RWD)	Chevrolet Malibu and Monte Carlo, Pontiac Bonneville and Grand Prix, Buick Regal, Oldsmobile Cutlass.
1978–1980 [1] H (RWD)	Chevrolet Monza, Pontiac Sunbird, Buick Skyhawk, Oldsmobile Starfire.
1987 models [3]	

[1] Available approximately April 1987.
[2] Availability date to be determined.
[3] Available now with black webbing, except for G car. Colored webbing to be phased-in during 1987.

Be persistent with your dealer if it appears he is not familiar with the accessory availability. You may suggest the dealer call the local zone Parts Distribution Center for further information.

Dealer-installed rear lap/shoulder safety belt accessory packages will be made available for light trucks and vans. Some are expected by approximately March-April 1987.

GM BUMPER SYSTEM PERFORMANCE INFORMATION 1987 MODEL YEAR VEHICLES FOR U.S. SALES

Platform Code	Carline, model	Bumper location	Minimum performance (mph) [1]
A	Chevrolet Celebrity	Front	5
		Rear	5
	Pontiac 6000	Front	5
		Rear	5
	Olds Cutlass Ciera	Front	5
		Rear	5
	Buick Century	Front	5
		Rear	5
B	Chevrolet Impala	Front	5
		Rear	5
	Pontiac Parisienne	Front	5
		Rear	5
	Olds Custom Cruiser	Front	5
	(Wagon Only)	Rear	5
	Buick LeSabre	Front	5
	(Wagon Only)	Rear	5
C	Oldsmobile 98	Front	5
		Rear	5
	Buick Electra	Front	5
		Rear	5
	Cadillac	Front	5
		Rear	5
D	Cadillac Brougham	Front	5
		Rear	5
E	Olds Toronado	Front	5
		Rear	5
	Buick Riviera	Front	5
		Rear	5
	Cadillac Eldorado	Front	5
		Rear	5
F	Chevrolet Camaro	Front	[2] 5
		Rear	[2] 5
	Pontiac Firebird	Front	[2] 5
		Rear	[2] 5
G	Chevrolet Monte Carlo	Front	5
		Rear	5
	Pontiac Grand Prix	Front	5
		Rear	5
	Olds Cutlass Sedan	Front	5
		Rear	5
	Coupe	Front	[2] 5
		Rear	5
	Buick Regal	Front	5
		Rear	5
H	Olds 88	Front	5
		Rear	5
	Buick LeSabre	Front	5
		Rear	[2] 5
	Pontiac Bonneville	Front	5
		Rear	5
J	Chevrolet Cavalier	Front	5
		Rear	5
	Pontiac 2000	Front	5
		Rear	5
	Olds Firenza	Front	5
		Rear	5
	Buick Skyhawk	Front	5
		Rear	5
	Cadillac Cimarron	Front	5
		Rear	5
K	Cadillac	Front	5
		Rear	5

GM BUMPER SYSTEM PERFORMANCE INFORMATION 1987 MODEL YEAR VEHICLES FOR U.S. SALES—Continued

Platform Code	Carline, model	Bumper location	Minimum performance (mph) [1]
L	Chevrolet Beretta	Front	5
		Rear	5
	Chevrolet Corsica	Front	5
		Rear	5
M	Chevrolet Sprint	Front	5
		Rear	5
N	Pontiac Grand Am	Front	5
		Rear	5
	Olds Calais	Front	5
		Rear	5
	Buick Skylark	Front	5
		Rear	5
	Buick Somerset	Front	5
		Rear	5
P	Pontiac Fiero	Front	5
		Rear	5
R	Chevrolet Spectrum	Front	5
		Rear	5
S	Chevrolet Nova	Front	5
		Rear	5
T	Chevrolet Chevette	Front	5
		Rear	5
	Pontiac 1000	Front	5
		Rear	5
V	Cadillac Allante	Front	5
		Rear	5
Y	Chevrolet Corvette	Front	5
		Rear	5

[1] Minimum Performance Level. Test speed at which the bumper meets or exceeds the damage criteria of the current standard. For example, 5 mph would signify that a single bumper was tested for a series consisting of 3 mph corner and 5 mph longitudinal pendulum impacts and a 5 mph longitudinal barrier impact.

[2] Receives some damage in excess of that permitted by the 5 mph, Phase I criteria. The bumper system does comply with both Regulation 581 and CMVSS 215.

GM LIGHT TRUCK AND VAN STATUS FMVSS REQUIREMENTS FOR PASSENGER CARS MY 1983–1988

FMVSS title	El Camino/ Caballero	Full sized pick-up	Mini pick-up	Suburban	Full sized MPV (blazer/ Jimmy)	Mini MPV (Blazer/ Jimmy)	Full sized passenger van	Mini passenger van	Full sized CargoVan	Mini CargoVan
102 [1] Trans. Shift Sequence	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
103 [1] w/s Defrost/Defog	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
108 [1] Lighting	([2])	([2])	([2])	([2])	([2])	([2])	([2])	([2])	([2])	([2])
118 Power Windows	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
202 Head Restraints	YES	NO	OPT	OPT	YES	YES	YES	YES	OPT	OPT
208 [1] Occupant Protection	([3])	([3])	([3])	([3])	([3])	([3])	([3])	([3])	([3])	([3])
211 Wheel Discs and Hub Caps	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
214 Side Impact	YES	NO	NO	NO	NO	NO	NO	NO	NO	NO
216 Roof Crunch	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES

[1] Applicable To light Trucks and Vans But Requirements Differ From Those For Passenger Cars.
[2] YES—Except Center High Mounted Stop Lamps.
[3] YES—Except Passive Restraint Requirements.

YES—Designed To Meet Passenger Car Requirements With Standard Equipment.
NO—Not Designed To Meet Passenger Car.
OPT—Available Optional Equipment Designed To Meet Passenger Car Requirements.

1986 MY High Backed Bucket Seat Option

Model	*Sales*
Mini Pick-Up Truck	48,470
Suburban	39,800
Full-sized cargo van (estimated)	70,000
Mini cargo van	34,500
Total	[1] 192,770

[1] Represents approximately 18 percent of sales of these vehicles.

Note.—These sales figures (as a percent of total sales) are representative of sales for recent years.

General Motors Corporation

LEWIS I. DALE
DIRECTOR, WASHINGTON OFFICE
INDUSTRY GOVERNMENT RELATIONS
(202) 775-5092

March 13, 1987

The Honorable Albert Gore, Jr.
Chairman, Consumer Subcommittee
United States Senate
SH-227 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Gore:

In response to the questions for the record of the National Highway Traffic Safety Administration Authorization hearing on March 6, 1987, General Motors submits the attached responses.

Sincerely,

Lewis I. Dale

How much new data, in your opinion, has been generated on the side impact issue, and how much more data do you believe needs to be generated?

Substantial new data and information have been generated on the issue of side impact in the past year. Much of it was presented at the NHTSA public meeting in May, 1986. Most domestic vehicle manufacturers and several from overseas participated in this meeting, along with representatives of a number of other interested organizations. The exchange of information at the NHTSA meeting has shown that side impact is one of the most complex issues in the area of occupant protection. A basic question still cannot be answered: Is the better approach to improved side impact occupant protection more padding in the vehicle or structural enhancements?

General Motors believes that significant data still need to be generated in order to establish meaningful side impact injury criteria and viable side impact test procedures.

In this regard, there is concern that the NHTSA-developed Thoracic Trauma Index (TTI), when used with NHTSA's Side Impact Dummy (SID) may not lead vehicle engineers toward vehicle side structure and interior designs which are most effective in injury and fatality reduction in actual vehicle use. General Motors believes that chest compression-based injury criteria (rather than acceleration-based, as with TTI) can provide the necessary direction to the development of the designs which will best mitigate occupant injuries and fatalities in side collisions.

Currently, very few data are available on which to develop a side impact chest compression injury threshold. General Motors has embarked on a test program to develop human response data to fill this void. This data will be accumulated and made available to the safety community for use in determining meaningful injury thresholds.

Also, further evaluations are needed to ensure that the response of the side impact test dummy that is chosen as a measurement device is representative of the human torso. There are concerns that the SID may not be able to respond as a human would to external forces and,

further, cannot be instrumented to make chest compression measurements which relate to the human chest. The European Side Impact Dummy (EUROSID) appears to be a potential candidate for such a dummy. The NHTSA is currently evaluating the EUROSID and General Motors and the Motor Vehicle Manufacturers Association are planning tests to evaluate the EUROSID.

Finally, there is a need to ensure that NHTSA test specifications and test procedures will support improvements in side impact protection. General Motors has expended considerable effort on math models and physical tests to study thoracic injury in side impact, the effect of padding in side impact accidents, and the importance of selecting the right test severity to assure that countermeasures can be identified which will be effective in reducing "total harm" in side impacts.

You have described the important role that field accident data plays in designing the safety features. How would you recommend improving the existing data collection system?

As noted in the General Motors testimony, good accident data are important for the introduction of safety innovations. Most importantly, good accident data allow more meaningful assessments of the contributions of various occupant-vehicle structure contacts to "total harm" in accidents. For example, accident data played a major role in General Motors' decision to focus on steering wheel design as a means of reducing the potential for head injuries from steering wheel contact.

Unfortunately, some of the existing accident data are not usable for crashworthiness studies. This is especially true for much of the National Accident Sampling System (NASS) data, which are administered by the NHTSA. NASS data, which also are intended for use in national safety studies, do not focus on serious injury crashes involving late model vehicles -- a focus which is important to crashworthiness research. Further, the NASS data base lacks the size which is needed to make estimates which have reasonable confidence levels. General Motors concurs with the recommendations regarding the NASS accident data base which were made recently by a Department of Transportation task force. These recommendations are included in a report entitled, "Safety Review Task Force Report on the National Highway Traffic Safety Administration", dated January, 1987. General Motors especially endorses the recommendation to, "Refocus the National Accident Sampling System to produce more useful data for crashworthiness research". This refocus, which may require an expansion of accident data collection, should be given a high priority.

You mentioned that GM will offer a driver-side air bag option on the "Delta 88" beginning in the next model year. Is there a particular reason that the "Delta 88" was chosen?

Both technical and marketing considerations were taken into account in the selection of the Oldsmobile Delta 88.

Because of the technical risks associated with developing a driver air bag option for the 1988 model year, it was imperative that the vehicle model selected for the option offer the greatest prospects for success. The following criteria, which were established to assess the "success" potential of candidate GM models, were best met by the Oldsmobile Delta 88 sedan:

a. The crash characteristics of the vehicle must be such that minimum structural changes will be required to accept existing air bag technology.

b. Because of the long lead time associated with instrument panel changes, knee restraint requirements must be met with minimum instrument panel modifications.

c. Vision obscurations resulting from modifications of the steering wheel hub must not require extensive instrument panel changes to relocate controls and displays subject to motor vehicle standards.

Further, the Oldsmobile Delta 88 is compatible with marketing considerations attendant to a driver-side air bag option. The Delta 88 is a relatively high volume, mid-level market segment offering. As such, it has the potential to attract purchasers to whom an air bag option may be appealing. Additionally, a significant fleet sales capability exists for that vehicle. This capability can have a positive affect on the marketing of air bags because of the number of employers who are concerned that their employes utilize the restraints provided in company vehicles.

How many air bag equipped cars do you expect to see this year? How many in 1988, 1989, 1990?

General Motors has no plans to offer air bags on any of its vehicles during the 1987 model year. As noted in the General Motors testimony, we will offer a driver-side air bag option on the Oldsmobile Delta 88 beginning in the 1988 model year and we are considering offering that option on an additional model in the 1989 model year. While our offerings are based on the belief that the public is now ready to accept air bags to supplement manual lap/shoulder belts, we are unsure of sales expectations for the driver-side air bag option. Our caution on this matter is supported by the recent statements of the Ford Motor Company regarding its current marketing experience with a driver-side air bag option. Beyond that, General Motors has no basis for projecting air bag volumes through the 1989 model year.

As detailed in response to a question from Senator Danforth, General Motors plans to place driver-side air bags as standard equipment in selected model lines beginning in the 1990 model year. The estimated annual volume of driver-side air bag-equipped General Motors vehicles during 1992 approaches 60 percent of estimated production. Of course, any expectations for air bags subsequent to September 1, 1989, are contingent on an amendment to Federal Motor Vehicle Safety Standard (FMVSS) 208 which would enable manufacturers to offer a vehicle equipped with a driver-side air bag and manual lap/shoulder belts after that date.

What does your company do to encourage consumers to bring their cars in for recall remedies?

General Motors has significant programs in place to encourage customers to bring their vehicles in for safety recall remedies. These programs are all in addition to the statutory requirements that the Safety Act currently prescribes.

Like most manufacturers, General Motors uses the purchased services of R.L. Polk to obtain the most up to date list of owners of vehicles involved in a recall campaign. That firm has also been encouraged to expand both the availability and timeliness of its data bases so that we have the best chance to contact the current owner of a particular vehicle. Further, dealer performance ratings are in part determined by their safety recall campaign completion rates. General Motors divisons have even conducted incentive programs for their dealers to improve recall campaign completion rates.

General Motors has a system in place (CRIS - Computerized Recall Information System) that allows a dealer to check any GM vehicle brought in for service or as a trade-in for recall campaigns outstanding on the particular vehicle. The dealers are requested to check vehicles routinely and we are working on ways to automate, or otherwise make this check more convenient.

Finally, General Motors has worked with the NHTSA and others to try different methods of contacting the customer than those now required by statute. For example, we have tried 30 day follow-up post cards with some success in improving safety recall campaign completion rates. We also, in cooperation with NHTSA, have tried different language in the letters sent to owners, to motivate them to bring their vehicles in for the recall campaign. Rental fleets contain large numbers of GM vehicles and we have worked with all of the major rental fleets to help them easily identify the vehicles in their fleets that are subject to a recall campaign.

What is your company doing to promote and educate the public about passive restraints? About safety belt laws?

At least ten percent of General Motors passenger cars will be equipped with automatic lap/shoulder belts in the 1987 model year. The automatic belt systems are standard equipment on the 1987 Pontiac Grand Am and Bonneville; the Oldsmobile Calais and Delta 88; and the Buick Somerset, LeSabre and Skylark.

General Motors promotional program for its 1987 models equipped with automatic lap/shoulder belts includes both print material and video. A General Motors ad, "How To Help Save Lives and Reduce Injuries Automatically", has been run in over 1000 publications with a combined circulation of over 30 million. Considering the fact that many heads of households are included in this circulation, over 130 million people could actually have been exposed to this ad. Additionally, "point-of-sale" material intended to provide customer information regarding automatic belts has been developed for use at dealerships.

General Motors has also focused efforts on ensuring that dealers and their sales personnel are familiar with the automatic lap/shoulder belt on vehicle models so equipped. A video tape has been developed for use as a point-of-sale training aid. The tape promotes the use of safety belts and specifically describes the automatic safety belt.

General Motors has been active in promoting the use of safety belts and has been supportive of efforts to enact safety belt legislation.

GM and the American Medical Association have produced a videotape entitled "Seat Belts and The Family" which attempts to dispel the myths that safety belts are not important or even harmful. Particular attention is focused on the use of belts by children and pregnant women. The tape is being distributed nationwide to various medical, educational and public service organizations. Also, GM is the sole sponsor and advertiser of the driver education magazine, In Motion, which includes articles on the importance of safety belt use. The magazine is distributed, free of charge, twice a year to driver education teachers and more than one million high school students around the country.

GM and the UAW's GM Department, in conjunction with the Highway Users Federation for Safety and Mobility (HUFSAM), are sponsoring a "Saved-by-the-Belt" program for our employes and their families. The program's objective is to have employes be aware of the benefits of safety belt use and state belt use laws, and to convince others that buckling up is worthwhile and necessary. It encourages employes who avoided serious injury or death in an automobile accident because they were wearing safety belts to tell their stories.

GM is an active member of the Traffic Safety Now (TSN), an organization which has been actively encouraging the passage and implementation of belt use laws. We also are a member of the American Coalition for Traffic Safety (ACTS), an organization which is bringing national attention to the benefits of safety belt use and belt use legislation.

GENERAL MOTORS RESPONSE TO A QUESTION
FOR THE RECORD FROM
SENATOR JOHN C. DANFORTH

On March 5, 1987, GM made an announcement concerning its air bag installation plans. The announcement provided specifics on the driver-side air bag installation plans for model years 1990 and 1992. Please provide specifics on GM's plans for model year 1991 and GM's plans concerning passenger-side air bags.

As noted in GM's announcement, program approvals have been given for: 1) a driver-side air bag option for the 1988 model year Oldsmobile Delta 88, and 2) driver-side air bags as standard equipment on an estimated 500,000 passenger cars in the 1990 model year. It is planned that both of these marketing efforts will be continued into subsequent model years. In addition, GM's announcement addressed the fact that the driver-side air bag concept has been approved for other model lines for the 1991 and 1992 model years. GM's plans for 3 million driver-side air bags during the 1992 model year are based on projections from the approved 1988 and 1990 programs, as well as the 1991 and 1992 programs that have been approved in concept. Based on a similar projection, GM could produce upwards of one and one-half million vehicles equipped with driver-side air bags during the 1991 model year. It must be noted that all GM driver-side air bag plans beginning with the 1990 model year are predicated on an amendment to the current NHTSA passive restraint regulation which would continue the current driver-side air bag alternative beyond September 1, 1989.

The phase-in of passenger-side air bags in General Motors passenger cars could begin as early as the 1992 model year if design feasibility can be demonstrated for two optional passenger-side air bag plans which also have been approved in concept.

Senator GORE. Thank you very much. I appreciate that testimony, and again I want to underscore the remarks I made at the beginning of this panel, that I view positively the steps that have been taken within the industry in the last couple of months. Of course, all are in agreement that much more needs to be done with the accident rate increasing and with so many Americans vulnerable to death and injury from crashes.

I am going to submit all of the Subcommittee's questions for the record for this panel. Please do not infer any discourtesy, but the schedule is pinching even more tightly now that the Armed Services Committee has gotten to the next phase of the hearing I referred to at the beginning.

Rather than recess this hearing, I am going to submit the questions to this panel for the record and invite your responses. Then we will move on to the final panel and ask them to summarize their statements for the record. We will try to complete the hearing expeditiously.

Before doing that, let me again thank each one of you for your appearance here. We will look forward to working with you in the future, particularly when the oversight hearings begin later this year.

Thank you very much.

Our final panel today is now invited to the witness table: Mr. Herbert McLure, Associate Director of Resources, Community and Economic Development Division for the U.S. General Accounting Office; Mr. Peter Rafaeli, President of the West German Sales Corporation from Pennsylvania, representing the Dealer Action Association; Mr. Robert McElwaine, President of the American International Automobile Dealers Association; and Mr. Benjamin Jackson, Executive Director of the Automobile Importers Compliance Association.

Gentlemen, I am going to have to ask your indulgence. In spite of what I said just a moment ago, we are going to have to have a short recess in the hearing because of developments elsewhere. I apologize to you in advance, but we do want to complete this panel before lunch. With your permission and indulgence, we will have a short recess and reconvene here at approximately 11:15 a.m.

I apologize to you, but we will come back from the recess at 11:15 a.m.

[Brief recess.]

Senator GORE. The subcommittee will come back to order. I certainly apologize for the delay.

By way of a brief explanation for my absence, there was a top secret meeting of the Armed Services Committee involving issues where the stakes were extremely high. There was no way that I could be absent during that critical period.

So please forgive me. I did not intend any discourtesy.

All right, I have already introduced each one of the witnesses. We will begin with Mr. McLure, Associate Director for Resources at the Community and Economic Development Division at the GAO.

Mr. McLure, please proceed.

71-422 O-87--4

STATEMENTS OF HERBERT R. McLURE, ASSOCIATE DIRECTOR, RESOURCES, COMMUNITY AND ECONOMIC DEVELOPMENT DIVISION, GENERAL ACCOUNTING OFFICE; PETER A. RAFAELI, PRESIDENT, WEST GERMAN SALES CORP., ON BEHALF OF THE DEALER ACTION ASSOCIATION AND THE NATIONAL AUTOMOBILE DEALERS ASSOCIATION; ROBERT M. McELWAINE, PRESIDENT, AMERICAN INTERNATIONAL AUTOMOBILE DEALERS ASSOCIATION; AND BENJAMIN R. JACKSON, EXECUTIVE DIRECTOR, AUTOMOBILE IMPORTERS COMPLIANCE ASSOCIATION

Mr. McLURE. Thank you, Senator. I will briefly summarize our statement.

Basically, we have issued two reports recently having to do with NHTSA's enforcement of safety standards. One has to do specifically with gray market vehicles. Those are cars that are brought into the United States that do not meet either safety or emission standards. In a nutshell, what we have found in that program as it is now operated by both NHTSA and EPA, both programs lack sufficient controls to make sure that the vehicles are modified after they enter the country in order to meet our safety and emissions standards, and that is mainly because the agencies neither inspect the firms that modify the vehicles or the vehicles themselves.

Our analysis as well as several other government and industry surveys, while they are all limited, they all suggest that cars out on the road, when tested, do not meet the standards even though both NHTSA and EPA have approved the cars for use.

So we recommended that the administrators of both agencies modify their programs somewhat to try to do a better job. The modifications involve certifying that the businesses which modify the vehicles actually know how to do it and are capable of doing it correctly and then spotchecking them periodically to make sure they are doing it right and also spotchecking the vehicles out on the road to make sure that they are conforming.

The second report does not have to do with gray market. It has to do with how NHTSA enforces safety standards for cars that are manufactured mainly in the United States that are supposed to meet the safety standards, and what we have found there is that NHTSA does a reasonably good job of testing those standards periodically, but we have found a number of ways they can do even better, and we suggested that they try to improve their program to get better coverage, primarily.

So that is basically what our statement talks about, and we will be glad to respond to questions or anything else.

[The statement follows:]

STATEMENT OF HERBERT R. McLURE, ASSOCIATE DIRECTOR, RESOURCES, COMMUNITY AND ECONOMIC DEVELOPMENT DIVISION, GAO

Mr. Chairman and Members of the Subcommittee: We appreciate this opportunity to appear before your today to discuss two of our recent reports.

One report, entitled *Auto Safety and Emissions: No Assurance That Imported Gray Market Vehicles Meet Federal Standards* (GAO/RCED-87-29, December 11, 1986) discusses the manner in which the National Highway Traffic Safety Administration (NHTSA), the Environmental Protection Agency, (EPA) and the Customs Service, Department of the Treasury carry out their respective responsibilities regarding the importation and modification of nonconforming vehicles entering the United States. This report was prepared as the request of the Chairman, Subcom-

mittee on Oversight and Investigations, House Committee on Energy and Commerce.

Our second report, entitled *Motor Vehicle Safety: Enforcement of Federal Standards Can be Enhanced* (GAO/RCED-87-2, December 15, 1986) also discusses NHTSA oversight and management of its motor vehicle safety compliance activities. Each year, motor vehicle accidents in the U.S. kill tens of thousands of people and injure many thousands more. The related economic losses associated with these deaths and injuries are estimated to be in the billions of dollars. NHTSA is responsible for reducing these human and economic losses by establishing and enforcing federal motor vehicle safety standards. We reviewed NHTSA's procedures and processes for (1) selecting safety standards and motor vehicles for testing, (2) investigating vehicles and equipment that may not comply with a specific federal motor vehicle safety standard, and (3) seeking civil penalties against a manufacturer or distributor whose produce is determined to be in noncompliance with a safety standard.

I will briefly discuss the findings in each report, beginning with the report on the Gray Market Program.

GRAY MARKET VEHICLE PROGRAM

Nearly all vehicles imported or built for sale in the United States are manufactured to conform with the safety and emission standards established by the Secretary of Transportation and the Administrator, EPA. However, some vehicles manufactured for foreign markets are not certified by the original manufacturers as being in conformity with U.S. safety and emission standards. Such nonconforming motor vehicles—often referreed to as "gray market vehicles—may be imported by private individuals and independent commerical importers for personal use or for resale on the condition that they be modified to meet U.S. safety and emissions standards.

The number of gray market vehciles imported annually into the U.S. increased from about 2,400 in 1980 to about 66,900 in 1985. However, in 1986, only about 23,900 gray market vehicles had entered the country and industy forecasts were that given the strength of the U.S. dollar in the foreign market, the downward trend would continue.

As previously stated, with few exceptions, importers of gray market vehicles must agree to modify the vehicles to meet the federal standards; and, such modifications are to be made within a specific period. A bond is posted with Customs until the modifications are complete. Customs notifies NHTSA and EPA when gray market vehicles enter the country. The agencies in turn, notify the importers of the safety and emissions standards applicable to the particular vehicles and of the documentation needed to support that the vehicles have been modified to meet the standards.

Upon notice from NHTSA and EPA that the vehicles have been modified, Customs releases the importer's bonds. However, if the vehicles are not modified within the specified time, Customs is to take enforcement action—a fine, bond forfeiture, or vehicle exportation or destruction.

Lack of Internal Controls.—We found that NHTSA does not inspect firms that modify vehicles to ensure that they have the capability to conform the vehicles to the safety standards. Moreover, NHTSA does not test the vehicles to determine that modifications were done properly. EPA has a certification program to recognize certain firms and laboratories that have demonstrated their respective capabilities to modify vehicles to meet the emission standards or perform the federal emission test procedures. Thereafter, EPA accepts certificates from these firms and laboratories indicating that they have properly modified or tested the vehicles. While EPA's program has more internal controls than NHTSA's, it also has shortcomings. We found that EPA's certification program does not provide for periodic inspection of the modifying firms or testing of the vehicles. In September 1985, EPA began reinspecting laboratories that had previously demonstrated their capabilities to perform, federal emissions test procedures. However, it had no plans to include inspection of modifying firms.

Vehiclese approved by NHTSA and EPA.—Additionally, our analysis of a sample number of gray market vehicles suggests that substantial percentages of gray market vehicles approved by NHTSA and EPA do not conform to the federqal standards.

We randomly selected 50 vehicles to determine if the importers had met all NHTSA requirements regarding safety standards. We found that the documentation (including receipted work orders, photographs, and engineering calculations) for 21 of the 50 vehicles had not been submitted within the specified period of time, generally 120 days, from the date of vehicle entry. For the 29 remaining vehicles, ques-

tions arose as to the adequacy and accuracy of the documents substantiating that the vehicles conformed with the safety standards.

We judgmentally selected 5 of the 29 vehicles for detailed review and, in conjunction with the original manufacturers, examined the documentation to determine if the vehicles had been modified to conform with federal safety standards. None of the five vehicles met all applicable standards.

Regarding emission standards, we requested EPA to provide the documentation that the importers had submitted to substantiate that the same 50 vehicles we reviewed at NHTSA had been modified to meet the emission standards. EPA was unable to locate any documentation for 26 of the 50 vehicles. Of the remaining 24 vehicles, importers had been granted exemptions on the basis of the age for 12 vehicles. For the other 12 vehicles, EPA had approved the vehicles on the basis of test results submitted by EPA-recognized testing laboratories.

In 1985, in about 90 percent of the cases, EPA based its approval of vehicles on test results provided by the recognized laboratories. We noted however, that in a 1984 study conducted by EPA and California state inspectors on 27 gray market vehicles that EPA had initially approved on the basis of laboratory test results, only one vehicle had passed all parts of the emission test.

Recommendations.—We recommended that the Secretary of Transportation direct the Administrator of NHTSA to improve controls over the gray market program by establishing a process similar to EPA's program, whereby firms are recognized by NHTSA, through certification, as being capable of modifying gray market vehicles. Under this process, NHTSA should periodically reinspect these firms and consider testing a sample of modified vehicles as a check on the firms' performance to ensure compliance with the safety standards.

We also recommended that the Administrator of EPA improve controls over EPA's certification program by periodically inspecting on a sample basis, both the modifying firms and test laboratories, previously recognized by EPA, and consider testing a sample of modified vehicles to ensure compliance with federal emission standards.

In considering, the appropriate scope, frequency, and amount of testing, both NHTSA and EPA should take into account factors such as staffing constraints and the cost of such testing.

To date we have received no response from the agencies regarding their proposed actions to implement our recommendations.

VEHICLE SAFETY COMPLIANCE

Turning to our second report on motor vehicle safety, NHTSA has established 49 safety standards that set minimum performance levels for vehicles and related equipment sold in the United States. The purpose of the 49 safety standards is to reduce the number of deaths and injuries resulting from motor vehicle accidents. These standards affect cars, trucks, buses, multipurpose passenger vehicles, motorcycles, trailers, and replacement equipment. The standards relate to such items as headlamps, tires, brakes, seatbelts, windshields, and child seats. Manufacturers and distributors are responsible for certifying that their vehicles and related equipment comply with the safety standards.

Background.—NHTSA's Office of Vehicle Safety Compliance is responsible for ensuring that both the vehicles and related equipment comply with the federal standards. It does this by (1) annually selecting standards, vehicles, and equipment for compliance testing, (2) investigating vehicles and equipment that fail the compliance tests, and (3) where it believes noncompliance exists, recommends to the NHTSA Administrator action to correct safety problems through either recalls and/or civil penalties. Compliance with 10 of the 49 safety standards is assessed through visual inspections rather than testing. For the remaining 39 testable standards, NHTSA annually selects approximately 23 for testing on the basis of one or more of the following criteria: (1) a high previous year failure rate; (2) newness of a standard; (3) public interest in a standard; or (4) to maintain an enforcement presence. NHTSA also considers other information in its selection process such as engineering and management judgments and knowledge of industry practices. NHTSA does not differentiate the safety significance of the 39 testable standards.

Standard Selection.—Our review found that NHTSA has not selected 10 of its 39 testable safety standards for testing for periods ranging from 5 to 17 years. Three additional testable standards have never been tested by NHTSA. Continuing to exclude standards from testing is inconsistent with the goal of providing a strong deterrent to the manufacture and sale of noncomplying motor vehicles and related equipment through compliance testing. We found that if NHTSA had consistently

applied its selection criteria, most of the 13 standards which had not been selected for testing would have been tested within the past 5 years. For example, 8 of the 13 standards, when last tested, had higher failure rates than 18 of the 29 standards NHTSA selected for testing between 1980 and 1984.

Case Processing.—NHTSA has neither developed milestones nor standard procedures for processing noncompliance investigation and civil penalty cases. We reviewed all 223 noncompliance investigation cases that were closed between October 1982 and March 1985. Of these 223 cases, 126 cases (57 percent) took a year or less to complete the investigation while 97 cases (43 percent) took 1½ to as long as 7 years to complete. Forty-seven of these cases were forwarded by the Office of Vehicle Safety Compliance to the Chief Counsel's office for a penalty assessment. We found that 40 percent of the 47 cases were closed in less than 3 years while 60 percent took between 3 and 7 years to close. We recognize that the time it takes to conduct and complete an investigation and the penalty process will vary from case to case depending on it's complexity; however, without milestones and procedures NHTSA is not in a position to identify those cases that are not being resolved in a timely and efficient manner.

Forwarding Cases for Penalty Assessment.—Finally, NHTSA lacks guidelines concerning which investigation cases should be forwarded to its Chief Counsel's office for penalty assessment. We found no consistent basis for the 47 cases forwarded for assessment. The Chief Counsel's office assessed a penalty in only 14 of the 47 cases forwarded to its office.

Recommendations.—To improve the oversight and management of NHTSA's motor vehicle safety compliance activities, we recommended that the Secretary of Transportation direct NHTSA's Administrator to:

Ensure that all testable safety standards are selected for testing over a period of time;

Develop milestones and procedures for processing and monitoring investigation and civil penalty cases; and

Develop guidelines for the Office of Vehicle Safety Compliance to use in determining which investigation cases should be forwarded to the Chief Counsel's office for penalty assessments.

In responding to our report, the Department said it plans to initiate actions consistent with all but one of GAO's recommendations. The Department disagreed with the need to develop guidelines to use in determining which cases should be forwarded to NHTSA's Chief Counsel because they felt the existing practice was sufficiently clear and the factors and final decision regarding a case involve judgments that could not be put into a set of rigid criteria. We continue to believe that such guidelines would assist NHTSA's staff in deciding which cases should be forwarded especially since so many of the cases forwarded (33 out of 47) were not assessed a penalty.

This concludes my testimony, Mr. Chairman. I will be happy to answer any questions you or other Subcommittee members may have at this time.

[The following information was subsequently received for the record:]

QUESTIONS OF SENATOR GORE AND THE ANSWERS

Question. In light of the December 1986 General Accounting Office report on gray market vehicles, do you think any changes need to be made to the Rudman-Inouye gray market compromise that passed the Senate last year?

Answer. We believe that the bill, as passed by the Senate last year, would not require further change. As pointed out in our report, both Congressional bills—S. 863 and H.R. 2248—had considerable merit since they addressed several of the NHTSA program control problems we identified and would have made the NHTSA gray market program more efficient and effective.

For example, the bills would have provided for—

registering commercial gray market vehicle importers who would be subject to requirements similar to those imposed on manufacturers of automobiles manufactured for and imported to the United States;

registering gray market vehicle modification facilities;

listing vehicle makes and models eligible for importation and modification, that are capable of being readily modified to meet the safety standards;

inspecting and testing vehicles and modification facilities; and

requiring other importers of the listed vehicles to have the vehicles modified by the registered vehicle modification facilities.

In addition, the Senate bill, while more flexible than the House bill on who could import a gray market vehicle—members of the uniformed services or the foreign service returning from overseas assignments—also required registration and inspection of modification firms and periodic NHSTA testing of vehicles that modifiers would have certified as in compliance with all safety standards.

Question. Based on your experience with NHSTA's procedures, do you feel the agency takes adequate steps in recalling vehicles, and how have you perceived those efforts over the years?

Answer. Over the last five years, GAO has made several recommendations to the Secretary of Transportation to improve both NHTSA's defect investigation and recall program. For example, in our August 24, 1982, report to the Secretary titled "Changes To The Motor Vehicle Recall Program Could Reduce Potential Safety Hazards" (GAO/CED-82-99) we pointed out that about 50 percent of the owners notified of potential safety defects do not take their vehicles to be inspected and/or fixed. The 50 percent figure was down from an earlier 75 percent response rate which the Congress expressed concern about being too low. We believed the low owner response rate was partly caused by recall letters that were too difficult for the owners to understand. The Department stated at the time that it supports all reasonable efforts to increase owner recall response rates and would gladly cooperate in efforts to simplify and clarify the language of the recall letters.

Other GAO reports addressing the defect investigation/recall program include:

Department of Transportation's Investigation of Rear Brake Lockup Problems in 1980 X-Body Cars Should Have Been More Timely (GAO/RCED-83-195, August 5, 1983).

Department of Transportation's Motor Vehicle Defect-Testing Procedures Were Reasonable—Public Announcement of Potential Defects Could Be Improved (GAO/RCED-85-28, November 9, 1984).

Effectiveness of Ford Transmission Settlement Still At Issue (GAO/RCED-86-52, June 1986).

Enforcement of Federal Standards Can Be Enhanced (GAO/RCED-87-2, December 1986).

Senator GORE. Very good. Thank you. As I mentioned, your full statement will be in the record.

Let us turn next to Mr. Peter Rafaeli, President of the West German Sales Corporation in Fort Washington, Pennsylvania. You are here representing the Dealer Action Association and the National Automabile Dealers Association; correct?

Mr. RAFAELI. Yes, sir.

Senator GORE. Please proceed with a summary of your testimony.

Mr. RAFAELI. Thank you. We appreciate the opportunity to share with the subcommittee our concerns about the automibile gray market, the safety problems it has created for unwitting customers, and the urgent need for legislation. I will summarize my remarks and ask that my complete statement be printed in the record.

As you know, during the 99th Congress the full committee favorably reported legislation that would have eliminated the automobile gray market. Unfortunately, a modified version of the bill was agreed to by both the House and Senate but did not become law.

In drafting legislation this year, the committee should insure that if noncomplying cars may be imported, all must be brought into full compliance with all applicable Federal standards.

Moreover, Congress must insure that gray market operators meet the same requirements applicable to authorized dealers and their manufacturers. In our view, without further legislation Congress cannot adequately protect consumers and the motoring public from the inherent risk of operating gray market vehicles.

The GAO recently confirmed what NADA, Mercedes Benz and the California Resources Board as well as NHTSA itself have found. Gray market cars are not being brought into compliance

with Federal safety and emission standards. In fact, not one of the cars reviewed by GAO met the applicable safety standard. Clearly, the current system is not working.

Foreign manufacturers and their franchise dealers are placed at a competitive disadvantage because they must comply with far more stringent requirements than gray market importers. They have invested and committed to insure that their products are properly designed, manufactured, serviced and maintained. Gray market operators free ride on the products' consumers' confidence and security created by us.

Consumers lose as well. They may pay less for gray market cars initially, but they get less, less product, less product reliability and protection, less serviceability and lower resale value. The automobile gray market poses a serious threat to highway safety. This problem will compound daily until Congress enacts legislation to remedy the serious defects undermining the current gray market import program.

As I set at the outset, we look forward to working with you in developing legislation to remedy these problems.

If I might add, Senator, I have the reports referred to with me. If you care to, we can leave them for the use of the subcommittee.

[The statement and questions follow:]

STATEMENT OF PETER A RAFAELI, PRESIDENT, WEST GERMAN SALES CORP., APPEARING ON BEHALF OF THE DEALER ACTION ASSOCIATION AND THE NATIONAL AUTOMOBILE DEALERS ASSOCIATION

Mr. Chairman and Members of the Subcommittee: I am Peter Rafaeli, President of West German Sales Corp. of Fort Washington, Pennsylvania, a franchised dealer for Mercedes-Benz, Volvo, and Mazda. I appear today on behalf of the Dealer Action Association and the National Automobile Dealers Association. The Dealer Action Association represents approximately 400 franchised dealers in Mercedes-Benz, BMW, Porsche, Audi, Subaru, Saab, Ferrari, Jaguar, and Rolls Royce automobiles. The National Automobile Dealers Association (NADA) represents over 20,000 franchised new car and truck dealers of all makes and models of vehicles.

We very much appreciate this opportunity to share with the Subcommittee our concerns about the automobile gray market, the safety problems it has created for unwitting consumers, and the urgent need for legislation. During the 99th Congress, the full Committee favorably reported legislation that would have eliminated the automobile gray market. We look forward to working with you in the near future to once again help develop comprehensive legislation that will, to the maximum extent feasible, ensure that if noncomplying cars are to be allowed to be imported they are brought into full compliance with all applicable federal standards and that gray market operators meet the same requirements applicable to authorized dealers and manufacturers.

Gray market imports increased by over 2,800 percent between 1980 and 1985, from 2,400 to 66,900 vehicles. With the decline of the dollar, imports had dropped to 15,500 vehicles by mid-1986. Notwithstanding this decrease in imports, we believe legislation is needed for two reasons: Imports are likely to surge again should the dollar appreciate in the future. More fundamentally, for the protection of consumers and the motoring public, Congress ought to ensure that every car being imported through the gray market complies with the applicable safety standards that the cars we sell meet. Without further legislation, this objective cannot be realized.

As you begin the effort to draft legislation, we think the GAO's recently released report on the gray market will be extremely helpful in identifying problem areas and the major gaps in the current law and regulations. The GAO report notes that the modified legislation agreed to by the Senate last year "had considerable merit" because it "would have made the NHTSA gray market program more efficient and effective." The report suggests, however, that the Congress did not go far enough. We thus would encourage you to address the GAO's concerns this year during the drafting process.

In its report, the GAO states that it "found problems in each step of the gray market import process. These problems were either in ensuring that the vehicles had been modified to meet the standards or in processing the associated paperwork within and between [NHTSA, EPA, and the Customs Service]." Of apparent principal concern to the GAO, "[t]he agencies neither inspect the firms that modify the vehicles nor test the vehicles to ensure that the standards are met." As a result, the GAO concluded that "substantial percentages of gray market vehicles approved by NHTSA and EPA do not conform to the federal standards." Quite obviously, there is a pressing need to establish new controls and procedures to ensure that nonconforming vehicles will not continue to threaten the safety of motorists.

As evidence of NHTSA's inability to ensure vehicles are being properly modified, the GAO randomly selected 50 vehicle cases to review how the agency examined and approved documentation submitted by importers. In 20 of the 50 cases, NHTSA had not received the required statement of compliance and supporting documentation. As a result, these 20 cases could not even be reviewed by the GAO. Of the 29 cases in which NHTSA had made a determination that the vehicles were in compliance with all standards, the GAO selected five to examine in detail. In the GAO's view, not one of the NHTSA-approved vehicles met all standards. This finding substantiated the independent studies of Mercedes-Benz of North America and its dealers, as well as the National Automobile Dealers Association, showing that vehicles are not being brought into compliance as required by law.

As I am sure the Members of the Subcommittee appreciate, the GAO did not inspect these vehicles, but conducted its analysis and drew its conclusions solely from looking at the paper record at NHTSA. Therefore, the degree to which these vehicles failed to comply could well have more serious than the paper analysis" revealed. If I may, let me describe for you briefly the findings of NADA and Mercedes-Benz dealers who actually inspected gray market vehicles in their shops.

In 1984, NADA surveyed over 1,000 franchised dealers representing one or more selected import lines, including Mercedes-Benz, Porsche, BMW, and Jaguar. Through December of that year, NADA had received and compiled survey responses on 393 1980 or later model nonconforming imports from dealers in 32 states. Only 4 cars or 1% of the vehicles surveyed clearly had all the safety items installed.[1] Eighty-two percent (82%) of the cars did not have the federally required bumpers. Three fifths (60%) did not have the required headlights. Forty-three percent (43%) did not have U.S. seat belt systems.

Beginning in December 1983, over an 18-month period, Mercedes-Benz dealers similarly participated in a survey to ascertain—through simple visual inspections—whether the gray market vehicles brough into their shops for service were in compliance with certain safety standards. Looking for such federally required items as bumpers, headlights, catalysts, and so forth, the dealers found that 95 percent of the gray market cars they inspected were not in compliance with federal law.

Although both the NADA survey and the Mercedes-Benz survey indicated substantial noncompliance with vehicle safety requirements, it is important to keep in mind what these surveys measured. Both indicated only whether certain safety items were installed in the vehicle, based on a visual inspection by dealership personnel. Dealers were not asked to determine whether the items functioned properly; nor were dealers asked to conduct any tests to determine whether the items complied with applicable performance standards, such as side-door reinforcement strength under FMVSS No. 214. Therefore, as in the case of the GAO paper analysis, actual noncompliance rates may be even higher than reflected in the surveys.

More important, many modifications to such vehicles may have caused or contributed to safety hazards. Several dealers reported modification-related problems in responding to the NADA and Mercedes-Benz surveys, including: broomsticks painted black and installed as side-door reinforcement; catalysts mounted next to fuel lines; a catalyst mounted without heat shields; a catalyst welded in against the vehicle body; improperly routed fuel lines; poor installation of side-door reinforcements; a damaged fuel pump relay; driveability problems and stalling; missing belts; "jerry-rigged" wiring; exhaust system leaks; and side-door reinforcement attached by bolts at the front end only.

Field tests by the California Air Resources Board (CARB) and NHTSA itself found consistent, flagrant violations. In 1984, CARB tested 27 vehicles that previously had been tested by an EPA-recognized test laboratory and had been found to meet appli-

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[1] Safety items on the NADA survey were: U.S. bumpers, U.S. headlights, VIN at windshield pillar, U.S. version seat belt systems, nonflammable seats, side-door reinforcement, and safety certification label.

cable federal emissions standards. Yet, when tested by CARB personnel, only 1 of the vehicles passed all of the applicable emission test requirements.

On June 7, 1985, NHTSA released to Congress two reports on gray market cars. NHTSA made visual inspections of 63 cars. A substantial number did not even exhibit the most basic safety modifications. NHTSA also purchased at random two gray market vehicles and crash-tested them. Both vehicles failed. In one, the modified fuel line came loose in the rollover position and broke in the crash test. This is precisely the modification flaw which, in an accident previously reported in congressional testimony, resulted in a death due to fire. In addition, in both cars the power windows operated with the key removed from the ignition.

Thus, there exists clear and unequivocal evidence of outright noncompliance with federal safety requirements and of modification-related safety problems associated with nonconforming gray market vehicles. The GAO report supports this conclusion. In our view, when dealing with human lives, there simply cannot be an acceptable level of noncompliance with vehicle safety requirements. Since the current program is not working, further legislation clearly is needed.

We do not make this recommendation simply because we do not wish to compete with gray market operators, as frequently alleged. If I may, I'd like to briefly describe the competitive disadvantage we operate from, the particular problems we as dealers face in dealing with gray market imports, and how consumers are being misled into believing that gray market cars are identical with U.S.-version vehicles, but are less expensive.

Foreign manufacturers and their franchished dealers are placed at a competitive disadvantage because they must comply with far more stringent requirements than direct importers. In order for manufacturers to export vehicles for sale in this country, they must develop, manufacture, and certify vehicles to comply with all applicable federal emissions and safety standards. Certified vehicles must be covered by emissions design, defect, and five-year/50,000 mile performance warranties. Manufacturers are subject to fuel economy reporting, labeling, and CAFE standards and penalties. Manufacturers also are subject to the defect notification and recall provisions in both the Clean Air Act and the National Traffic and Motor Vehicle Safety Act. Moreover, 10 percent of all manufacturers' vehicles now must carry passive restraint systems. In contrast, gray market operators do not have to comply with these requirements.

In order to fulfill many of their responsibilities, as well as to market and service vehicles at the retail level, franchised dealers must establish and maintain sales and service facilities, adequately train and staff their dealerships with service technicians, acquire all necessary tools and equipment, and maintain extensive parts inventories. Performance of these responsibilities requires the commitment of substantial human and financial resources.

Simply put, vehicle manufacturers and their dealers have invested and committed to insure that their products are properly designed, manufactured, serviced, and maintained during operation. Direct importers have none of these responsibilities. Some are mail-order operations which do not even maintain an office, let alone a service facility. All are free-riders on the product, consumer confidence, and security created by others.

The dealer members of our associations have a vital interest in ensuring that the public continues to have confidence in us and the automobiles we sell. We have promoted the value of the long-term investment in the quality of workmanship, warranties, safety, and resale value of the automobiles we sell. To the extent that we are unable to satisfactorily service noncomplying vehicles, our reputation suffers, as does that of the manufacturers whose automobiles we sell.

Consumers lose as well. The "price advantage" associated with direct imports is misleading. American consumers think they are getting the same product for less, when, in fact, they are not getting the same product at all. There is no actual price discrepancy. The purchaser of a gray market import may pay less, but he or she gets less—less product, less product reliability and protection, less serviceability, and lower resale value.

In the final analysis, we must not let ourselves be diverted from the real issue before the Subcommittee—what the American public is being sold through the gray market. And, on this issue, the evidence is clear. Conditional importation poses a serious threat to highway safety, which will compound daily until the Congress enacts legislation to remedy the serious defects undermining the conditional importation program.

We look forward to working with you to develop legislation that accomplishes our mutual objective of ensuring that all automobiles, imported and domestic, meet the

applicable federal safety standards for the protection of consumers and the motoring public.

Thank you.

QUESTIONS AND ANSWERS

Question 1 (Senator INOUYE). In its report on the automobile gray market, the General Accounting Office stated: "The gray market program, as now operated by NHTSA and EPA, lacks sufficient controls to ensure that imported gray market vehicles are modified to meet U.S. safety and emission standards. * * * GAO's analysis, as well as several government and industry surveys (although limited), suggest that substantial percentages of gray market vehicles approved by NHTSA and EPA do not conform to the federal standards." Do you agree with the GAO's findings? If so, what documentation can you offer the Committee to support your contention?

Answer. Yes. At the conclusion of the hearing, we provided the staff with the studies of Mercedes-Benz, the National Automobile Dealers Association, the California Air Resources Board, and the National Highway Traffic Safety Administration. The reports are summarized in our prepared statement.

Question 2 (Senator INOUYE). What particular problems do dealers confront in servicing gray market vehicles and handling consumer complaints?

Answer. In order to fulfill many of their responsibilities, as well as to market and service vehicles at the retail level, franchised dealers must establish and maintain sales and service facilities, adequately train and staff their dealerships with service technicians, acquire all necessary tools and equipment, and maintain extensive parts inventories. Performance of these responsibilities requires the commitment of substantial human and financial resources.

Gray market vehicles create a wide variety of problems in accomplishing our objective of bringing value and reliability to our customers. Service and parts availability, dealer liability, tarnished product image, warranty problems, and insurance fraud all undermine our efforts to ensure that the public continues to have confidence in us and the automobiles we sell. We have promoted the value of the long-term investment in the quality of worksmanship, warranties, safety, and resale value of the automobiles we sell. To the extent that we are unable to satisfactorily service noncomplying vehicles, our reputation suffers, as does that of the manufacturers whose automobiles we sell.

Question 3 (Senator DANFORTH). In light of the December 1986 General Accounting Office Report on gray market vehicles, do you think any changes need to be made to the Rudman-Inouye gray market compromise that passed last year?

Answer. We agree with the GAO's conclusion that the Inouye-Rudman bill "address[ed] some of the control problems GAO identified." In its report, the GAO states that it "found problems in each step of the gray market import process. These problems were either in ensuring that the vehicles had been modified to meet the standards or in processing the associated paperwork within and between [NHTSA, EPA, and the Customs Service]." Of apparent principal concern to the GAO, "[t]he agencies neither inspect the firms that modify the vehicles nor test the vehicles to ensure that the standards are met." As a result, the GAO concluded that "substantial percentages of gray market vehicles approved by NHTSA and EPA do not conform to the federal standards." Quite obviously, as we indicated in our testimony, there is a pressing need to establish new controls and procedures to ensure that nonconforming vehicles will not continue to threaten the safety of motorists.

Title IV of S. 863, as passed by the Senate in the 99th Congress, would have provided for the inspection of facilities. We believe this and other provisions are necessary to ensure, to the maximum extent feasible, that noncomplying cars are brought into full compliance with all applicable safety standards if Congress decides to permit continued importation of these vehicles. Moreover, gray market operators should be required to meet the same requirements applicable to authorized dealers and manufacturers.

NHTSA, EPA, and Customs have been asked to provide the Congress with legislative propsals to address the problems identified in the GAO report. We look forward to reviewing these proposals and working with the committees of jurisdiction to develop legislation that accomplishes our mutual objective of ensuring that all automobiles, imported and domestic, meet the applicable federal safety standards for the protection of consumers and the motoring public.

Senator GORE. Great. Thank you very much.

Our third witness is Robert McElwaine, President of the American International Automobile Dealers Association.

Mr. MCELWAINE. Thank you, Senator Gore, for hanging in with us during this long morning. On behalf of the 8,500 imported automobile dealers I represent, it was a pleasure to wait because this hearing before the Consumer Subcommittee represents in many ways a justification and even a vindication for six years' of effort to have the Federal Government recognize the perils, both financial and physical, that the gray market automobiles have posed for the consumer.

Beginning in 1981, AIADA warned the Environmental Protection Agency and the National Highway Traffic Agency that the gray market cars that the agencies were approving for sale in the United States did not begin to comply with the standards that the EPA, for example, was charged with enforcing. Furthermore, the jerry-built conversions and modifications to bring those cars into supposed conformity frequently created perils to the life and limbs of the passengers in those same vehicles.

Over the next several years, however, the volume of gray market imports entering the United States continued to multiply, as did the number of cases where consumers were ripped off and exposed to a high degree of risk in cars that did not meet U.S. safety or emission standards or had been modified in such a fashion that transformed previously safe, quality automobiles into potential time bombs.

During this time, AIADA continued to press for stringent government controls over the gray market cars or, preferably, their total abolition from the American market. Now, for these efforts we have been charged with being anticompetitive, anti-free enterprise, even anti-free trade, of all things.

Now at last, thanks to the foresight of Chairman John Dingell, we have been armed with a survey conducted by the Government Accounting Office which confirms what AIADA has charged over the years; namely, that, one, the National Highway Traffic Safety Agency is approving for resale and use on America's highways cars which do not comply with our Federal regulations; and two, the agencies in question here do not even have the capacity to enforce the regulations they are charged to uphold.

Indeed, the General Accounting Office study failed to find a single gray market car that the Office was willing to state would meet all applicable regulations, and the same has been true in all the previous studies that have been done, whether by dealers or manufacturers or the State of California. No one has ever found a gray market car that an official agency or organization would stand up and say, this car meets all the Federal standards.

When a Federal agency is confronted with a record of violations of the law so extensive and when an agency confesses its inability to enforce the law, then I think a rational individual must conclude that the law has got to be changed. AIADA applauds the determination of this committee to move such legislation expeditiously. A bill can be written and approved based upon agreements reached in the House and Senate last year.

It remains, however, the firm position of AIADA that the entire practice of provisional entry of nonconforming vehicles is fatally

flawed since it flies in the face of a large body of evidence that it is simply not possible to modify at practical, reasonable cost vehicles not manufactured to U.S. standards.

If the program involved in the House and Senate-passed bills cannot be successfully implemented over a three-year period, then let us adopt Chairman Dingell's proposal and drop the entire program of provisional entry. Then we can do what the Canadians have done, where they simply have ruled that cars which do not comply with the Federal standards, as set forth by the original equipment manufacturer, may not enter the country. In that way alone can we end this present system of selective application of the law.

Thank you, Mr. Chairman.

[The statement and questions follow:]

STATEMENT OF ROBERT M. MCELWAINE, PRESIDENT, AMERICAN INTERNATIONAL AUTOMOBILE DEALERS ASSOCIATION

I am Robert McElwaine, President of American International Automobile Dealers Association (AIADA), which represents the interests of more than 9,000 American automobile dealers and their approximately 250,000 employees. I am pleased to have the opportunity to appear before the Consumer Subcommittee of the Senate Committee on Commerce, Science and Transportation to offer our views on the recently released report of the General Accounting Office on the automobile grey market and our belief that we need legislation to correct the improprieties that exist.

While the volume of grey market automobile imports has been reduced from a year ago, the problem continues and this loophole still needs to be closed. The car buff looking for the unavailable model continues to fuel the grey market while there are fewer sales to buyers who expect to save money. Grey market imports could well expand again when the value of the dollar increases in the future.

In the 99th Congress, four pieces of legislation were considered. The Senate Commerce Committee passed a bill that would abolish the grey market (Title IV of S. 863). In May, 1986, the Senate passed an amended grey market section which, instead of abolishing grey market automobile imports, established a program to regulate the grey market.

The House Subcommittee on Telecommunications, Consumer Protection and Finance also passed a bill that contained a section to abolish the automobile grey market on June 18, 1985. In August of 1986, the full House Energy and Commerce Committee passed an amended bill that was agreed to by both dealers and the grey marketers which established a regulatory program instead (Section 6 of H.R. 2248).

Late in the session, Senators Inouye and Rudman introduced S. 2928, which was an effort to combine the Senate and the House-passed grey market sections of the NHTSA authorization bills. It was a move to have a legislative vehicle to move grey market out of the Senate to the House so that a bill could pass in the last days of the session.

Now we have the devastating report from the General Accounting Office prepared at the request of House Energy Committee Chairman John Dingell. It confirms what we have been saying. Now we need legislation to correct the improprieties.

Diane Steed, Administrator of NHTSA, says she needs legislation to give her firm authority to regulate the grey market.

With the combined talents of NHTSA and the House and Senate drafters, a bill can be written based on the agreements reached in the House and Senate last year.

If the program involved in the House and Senate-passed bills, agreed to by all parties, cannot be successfully implemented over a three year test period, then let us adopt Chairman Dingell's concept to drop the program. If we cannot assure enforcement, if there is a lack of interest, if cheating and fraud continue, then the program should be discontinued.

Then we can do what the Canadians have done. There is a simple approach to safety. All automobiles imported into the country must meet the standards established by that country and as certified by the original manufacturer. This puts an end to the practice that the law applies only to some.

Thank goodness for Chairman Dingell's foresight to call for the GAO report. It tells you that people who buy grey market cars are liable to be ripped off, deceived, cheated and have their safety and lives endangered.

Congress never intended it to be that way.

THE LEGISLATIVE BACKGROUND

When the auto safety and emission control acts were adopted in the mid- to late sixties, provision was made to allow individuals, especially members of the Armed Forces, foreign service personnel and tourists, to bring home with them from Europe foreign automobiles which did not comply with U.S. standards, on the condition that such vehicles would be brought into compliance within a reasonable period of time. (A bond was required to assure compliance performance.) Failure to modify the vehicle and achieve compliance would result in "deportation" of the vehicle.

These provisions were intended to assist those Americans who wanted to own a foreign car for which no U.S. version had as yet been developed.

Today, almost twenty years later, every major foreign manufacturer produces cars designed specifically for the U.S. market and which comply with all U.S. safety and emission standards. Naturally, these companies also produce non-U.S. vehicles for other markets, which do not comply with U.S. standards.

It is the large scale importation of these latter vehicles by commercial importers, who modify and convert the cars to satisfy one-time EPA and NHTSA compliance tests, which comprise the so-called grey market problem.

THE GREY MARKET "LOOPHOLE"

The sale of grey market automobiles in the United States constitutes an affront to the environment and a risk to the consumer's pocketbook as well as his personal safety.

Despite a substantial body of evidence establishing that grey market cars frequently fail to meet U.S. safety and emission standards established for them, and that customers purchasing these cars are denied warranty coverage and other protections guaranteed purchasers of imported cars through normal distribution channels, the Federal agencies have continued to allow grey market operators to grow and flourish solely because of the peculiar interpretations of the law they have insisted on maintaining.

Recognizing as "manufacturers" those who do not design, engineer or fabricate the product they sell, who are not designated as agents or representatives of the original manufacturers, and who bear no responsibility to the end user for the performance of the product, is an obvious travesty. The Congress should act speeedily to end this farce.

The legislative record shows clearly that it was never the intent of Congress that the agencies use their discretionary authority in cases of individual imports to permit the wholesale importation of non-complying vehicles for resale, after dubious modifications to bring such vehicles into supposed compliance.

The original rationale for the personal use exemption was that many models of European cars were not available for the U.S. market since the maufacturer had not elected to produce such cars to meet U.S. specifications. This rationale has long since been eroded by the actions of the manufacturers to produce a wide variety of models for the U.S. market.

THE NEED FOR CONGRESSIONAL ACTION

Congressional action is required to clarify the obvious intentions of the legislators who drafted and approved the original safety laws in 1966. Such clarification has been necessitated by unforeseen developments in the marketplace and by the puzzling interpretation of the law chosen by the Federal regulatory agencies responsible for its enforcement.

Indeed, statements made by officials of the Environmental Protection Agency at hearings on the grey makert problem indicate the EPA does not have the capacity to enforce the law as it has been interpreted. At these hearings, which have been going on since 1980, it has been clearly established that the law, as it applies to imported vehicles, is not being properly enforced.

When a Federal agency is confronted with a record of violations of the law so extensive, when an agency expresses its own inability to enforce the law, then a rational individual must conclude that the practice must be stopped. Congressional action is required because the designated Federal agencies have failed to show the necessary diligence or sense of urgency to deal with the problem.

By failing to halt the influx of non-complying vehicles, the National Highway Traffic Safety Agency has created two classes of automobile importers and retailers—those who must abide by the law, certifying under penalty of the law that their

vehicles comply with U.S. regulations, that they have been properly tested before such certification; and those who simply enter their vehicles for a one-time lab check and submit photographs of dubious authenticity to the NHTSA, in order to sell their vehicles in this country.

There appears to be disregard of the principle of "equal protection under the law" when one class of retailers is subject to a fine of $10,000 for simply "tampering" with the emission controls of a vehicle, while another class may, with impunity, sell vehicles that do not comply with either the safety or emission requirements of this country.

THE GAO REPORT

The report on grey market vehicles issued by the General Accounting Office in December, 1986, documents extensively what we have claimed from the start: there is massive non-compliance with U.S. safety and emission laws by those firms and individuals involved in direct importing.

GAO selected at random 50 direct import vehicles to determine if NHTSA and EPA standards had been met. No documentation for safety modification was even submitted in 21 of the 50 cases. As far as emissions modification is concerned, EPA could not locate documents for 26 out of 50 cars. Final results were conclusive: in none of the 50 test cases did the vehicles comply with all applicable laws.

Lack of internal controls was cited by GAO as a basic reason for the high level of non-compliance with NHTSA and EPA rules. The report revealed that NHTSA neither inspects the firms that modify vehicles nor tests the vehicles themselves to determine that the modifications were done properly. EPA has a certification program for firms that modify vehicles and laboratories that conduct emissions testing, but the GAO report concludes, "while EPA's program has more internal controls than NHTSA's, it also has shortcomings . . . EPA's certification program does not provide for periodic inspection of the modifying firms or testing of the vehicles."

Along with the solutions worked out in last year's bills, S. 863 and H.R. 2248, the report from GAO provides a good framework for drafting legislation in the 100th Congress that will deal more effectively with the problem of non-compliance in the grey market. Both of the bills which passed last year—and which GAO considers favorably in its report—would have tightened controls on who could bring direct imports into the country. GAO recommends an increased focus on NHTSA and EPA programs, with periodic inspection of modifying firms and vehicle testing. We believe this is a positive direction to move in, and we look forward to hearing from the various agency officials in terms of specific requests for scope of testing, budgets and staffing proposals.

SAFETY RECALL

In the event of a safety recall, the manufacturer of the vehicle has no way to communicate with grey market car owners, since it has no record of transaction. None of these cars carries the warranty protection provided by the manufacturer's United States distributors on cars built for the U.S. market.

QUESTIONS OF THE COMMITTEE AND THE ANSWERS

Question. In the past, AIADA has described gray market operators as "gypsy car dealers." Can you elaborate for the benefit of the Committee?

Answer. The parallel grows out of the situation among New York City taxis and taxicab owners and their competition, the gypsy cab drivers. Legitimate taxicab drivers must purchase an existing cab medallion (at a cost of about $100,000), meet stringent requirements established by the Hack Bureau regarding the safety of their vehicles, the insurance they carry, the training and knowledge of the driver, as well as submit to the constant supervision and potential disciplinary actions of the Bureau.

The gypsy taxidriver, on the other hand, needs no investment other than the cost of a second-hand car. He operates in an unsupervised, unregulated environment. Consequently, his passengers are frequently ripped off, taken on exploratory tours of parts of the Bronx, Queens, Brooklyn and Staten Island that they might never otherwise see, exposed to perils to life and limb from unsafe, poorly maintained automobiles, and, in the event of accident, provided no insurance coverage.

The franchised automobile dealer in imported cars faces similar competition today from unregulated and unauthorized dealers in his product. The franchised dealer must meet the stern requirements of the manufacturer in terms of financial respon-

sibility, service and parts availability, the employment of trained mechanics, the provision of insurance for the protection of his customers, and, above all, the guarantee that the product he delivers to the customer meets all applicable Federal standards, under penalty of the law.

The gypsy dealer, on the other hand, has no investment greater than the cost of a round-trip, economy fare flight to Europe. He borrows funds to finance the purchase of non-complying European-standards cars, re-sells them after dubious modifications to bring them into so-called "conformity" with U.S. standards, then leaves the consumer to fend for himself. His place of buisness is an empty lot, a rented storefront or a temporary office. He is here today and gone tomorrow.

Consequently, the customer is frequently ripped off. Worse, his very life can be jeopardized by jerry-built modifications that may have transformed a safe, proud vehicle into a rolling time bomb. Gypsy car dealer is an apt description.

Question. Have you seen any documentation suggesting that current law is not adequate to deter some gray market operators from defrauding the government and misleading consumers?

Answer. The daily newspapers have carried considerable documentation over the past several years illustrating the inadequacy of current law to protect consumers from the gypsy dealers selling non-complying grey market vehicles. Enclosed is an article from the February 2, 1987, issue of AutoWeek, which illustrates a broad pattern of fraud and deception in connection with the sale of grey market cars. Probably nothing documents the inadequacy of current law, however, as much as the admissions of the officers of both NHTSA and EPA that they do not have the capacity to enforce the present law.

Question. (For the panel) In light of the December 1986 General Accounting Office report on gray market vehicles, do you think any changes need to be made to the Rudman-Inouye gray market compromise that passed the Senate last year?

Answer. In our view, the GAO report confirms what AIADA has claimed for five years—that cars not manufacutred to U.S. safety and emission standards cannot be modified to meet those standards after manufacture—at commercially reasonable cost. It is reasonable to ask if the Federal government should go to the trouble and expense to set up a program to enforce and monitor compliance, as S. 863 would do, when such compliance cannot be achieved at acceptable cost.

The answer to this query, of course, is that this is the only course that can achieve sufficiently broad acceptance to be enacted. The GAO report demonstrates the validity of Rep. John Dingell's suggestion that if, after three years, the program proves to have placed too heavy a burden on the government in return for results achieved, the program should be closed down. The GAO report would seem to endorse Chairman Dingell's proposal for a three-year sunset provision. If at the end of three years, the results of the program do not merit the continuing expenditure of taxpayers' money, the program should be ended.

Senator GORE. Thank you. I thought that was very strong testimony. We appreciate it.

Mr. Benjamin Jackson, Executive Director of the Automobile Importers Compliance Association.

Please proceed.

Mr. JACKSON. Thank you, Mr. Chairman. We have provided to the committee our comments on the GAO report in detail, and I will not go into them here. We have a brief statement that I would like to present to you, however.

The Automobile Importers Compliance Association is a nonprofit trade association whose members are engaged in importation and compliance modification of vehicles not originally manufactured in compliance with safety, emissions and antitheft requirements.

AICA's membership was approximately 600 in 1985. Today the membership is approximately 160. This decline in membership is related to the decline in the number of vehicles directly imported. The primary reason for the decline is the change in the value of the dollar in relation to certain European countries. Other factors have contributed to the decline but to a lesser extent than the current exchange rate.

In recognition of the growth of the number of vehicles imported in the early and mid-1980s and increasing concern over the compliance of directly imported vehicles with applicable requirements, legislation by both the House and Senate was considered. Bills requiring more structured and effective regulatory framework for NHTSA were considered by the respective bodies.

In December 1986, the GAO published a report on the compliance procedures applicable to direct import autos. In that report, GAO concluded that additional compliance assurance measures by DOT and EPA were needed to assure that direct import autos meet U.S. requirements. We agree both with the intent and the structure of the legislation that passed the Senate last year and the conclusion of the GAO report.

In considering what should be done regarding direct import autos, the following facts should be considered. Currently the direct import volume has dropped from an annual peak of almost 67,000 vehicles in 1985 to a rate of less than 10,000 vehicles per year in 1987. The direct import market decline is attributable to the following: change in the value of the dollar relative to currencies in Europe; broader model offering in the U.S. by some manufacturers; and pricing adjustments by the manufacturers.

Most of the direct import vehicles being imported today are privately owned vehicles being imported by military personnel or civilians relocating to the United States. Both EPA and NHTSA have adequate authority under current law to change their existing programs to include the recommendations by GAO. EPA has proposed regulations designed to improve the emissions compliance of direct import autos, and EPA has indicated that those regulations will be finalized in the near future.

We understand that DOT was considering modifications and, indeed, has implemented some modifications to its direct import compliance program; however, we believe implementation of major changes by DOT was deferred, pending the outcome of the legislative activity in the last Congress.

Direct importation should be permitted to continue under improved regulatory programs by DOT and EPA. Direct importing as a commercial enterprise will only exist where foreign manufacturers try to reap excessive profits by discriminating against Americans in their pricing. Direct importation, if permitted, will prevent such discrimination in pricing practices.

Direct importation of privately owned vehicles by military personnel and other citizens returning from assignments overseas is likely to continue, regardless of the exchange rates. These Americans should be allowed to bring their European model vehicles into the United States under a regulatory program that assures compliance with applicable U.S. requirements.

Thank you, sir.

[The following information was subsequently received for the record:]

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March 13, 1987

Honorable Albert Gore, Jr.
Chairman, Consumer Subcommittee
Committee on Commerce, Science
and Transportation
Washington, D.C. 20510

Dear Mr. Chairman:

This is the Automobile Importers Compliance Association's response to questions in your letter dated March 6, 1987.

1. DO YOU CONTEST THE GAO'S FINDING THAT SUBSTANTIAL PERCENTAGES OF GRAY MARKET VEHICLES APPROVED BY NHTSA AND EPA DO NOT CONFORM TO FEDERAL STANDARDS?

ANSWER: As we stated in our comments to Representative Dingell on the GAO report, we do not believe that GAO's technique for determining compliance was appropriate. The GAO asked the vehicle manufacturers whether the compliance documents submitted to DOT indicated compliance with standards. The GAO should have consulted with the vehicle modifiers and DOT. DOT is responsible for determining compliance, not the manufacturers. Using the GAO approach, there would be no defect or standards related recalls unless the manufacturer agreed with DOT. Furthermore, apparently GAO indicated that non-compliance existed when in fact no such determination was made. For example, 18 of the 44 responses by the manufacturers indicated that they could not determine compliance or that insufficient information was provided for them to determine compliance.

Also, GAO simply reproduced the results reported by NADA and Mercedes Benz from dealer surveys without attempting to determine the validity of the surveys. As we note in our comments to Chairman Dingell, the NADA and MB surveys are simply not credible.

We believe the DOT Transportation System Center's study of DOT compliance may be a more responsible source of information on the safety compliance of direct import vehicles approved by DOT. That study revealed that 39 of 63 vehicles were in full compliance and that the remaining 24 failed one or more requirement.

With regard to EPA compliance, we believe that vehicles tested subsequent to approval by EPA may not be an appropriate indicator of the EPA compliance program. For example, EPA recognizes that some emission control deterioration may be expected of vehicles officially approved by EPA. Enclosed is a graph of emission data from the U.S. fleet. It shows that in-use conditions affect the emission performance of autos.

It should be noted that we are not aware of any data reported by GAO from direct import autos that were certified under EPA's Small Volume Manufacturer Program. Under this program, EPA tests at the Ann Arbor test facility all of the certification vehicles before issuing a certificate. EPA will not issue a certificate unless the tested vehicle meets the standards. The California Air Resources Board has a similar certification program. While the data is in the possession of EPA and the CARB, we are aware of a number of certificates that have been issued. We believe this data will demonstrate that direct import autos can be modified to meet the standards and, in fact, do when tested by EPA.

2. DO YOU SUPPORT NHTSA CERTIFICATION OF FIRMS AND SUBSEQUENT REINSPECTION OF FIRMS TO INSURE VEHICLE COMPLIANCE WITH SAFETY STANDARDS? DO YOU SUPPORT NHTSA TESTING OF A REPRESENTATIVE SAMPLE OF VEHICLES?

ANSWER: We support the concept of vehicle certification whereby DOT would, on the basis of an application and inspection, if appropriate, certify or approve a vehicle. Once certified or approved, the importer could import vehicles modified like the certified or approved vehicle. Certification of a facility or firm has no particular meaning. We support the concept of vehicle inspection subsequent to certification or approval. Inspection of firms does not seem appropriate. While inspection of EPA test facilities may be appropriate because the presence and operation of required testing equipment is important, this is not the case with DOT modification facilities. As we noted in our testimony before the Subcommittee, GAO recommended inspection of DOT modifier facilities, however they did not visit a facility or indicate what could be determined by inspecting a facility.
Testing of a representative sample of certified direct import vehicles may be appropriate. However, DOT testing unlike EPA testing, is almost always destructive and thus is very expensive. The need to conduct tests should be weighed against the results of inspections and the likely benefit of crash testing.

3. DO YOU CONSIDER THE PENALTIES UNDER CURRENT LAW SUFFICIENT TO DETER FRAUD BY GRAY MARKET OPERATORS?

ANSWER: Yes, provided that there exists a likelihood of wrong doing being detected. The Clean Air Act at Section 113(c)(2) provides criminal penalties for knowingly providing false information. The U.S. Code at Section 1001 provides criminal penalties for knowingly submitting false or misleading information to Federal authorities. We believe that Section 1001 of the USC is sufficiently broad to be used both by EPA and DOT.

We believe that the penalties of 1001 coupled with an inspection program would be sufficient to deter fraud by direct import operations. However, where a non-resident or a foreign business is involved, the ability of the U.S. law to reach the suspect may be hampered. DOT and EPA should require that any firm or person in the direct import business be reachable by the penalties of 1001.

4. AS A CONDITION FOR THE RIGHT TO IMPORT AND MODIFY NONCOMPLYING VEHICLES, ARE THE FIRMS YOUR ORGANIZATION REPRESENTS WILLING TO PAY THE COSTS OF ESTABLISHING AND OPERATING A NEW GRAY MARKET PROGRAM?

ANSWER: The AICA Board authorized support of direct import legislation in the 99th Congress which included user fees. However, during that time, AICA had learned from DOT that a user fee of about $50.00 per vehicle was contemplated. If a user fee substantially higher than that amount was adopted, it may be that the fee, in and of itself, would prohibit direct import autos. To the extent that a revised direct import program causes an increase in cost over the existing program, then the user fee may be appropriate to cover the increase.

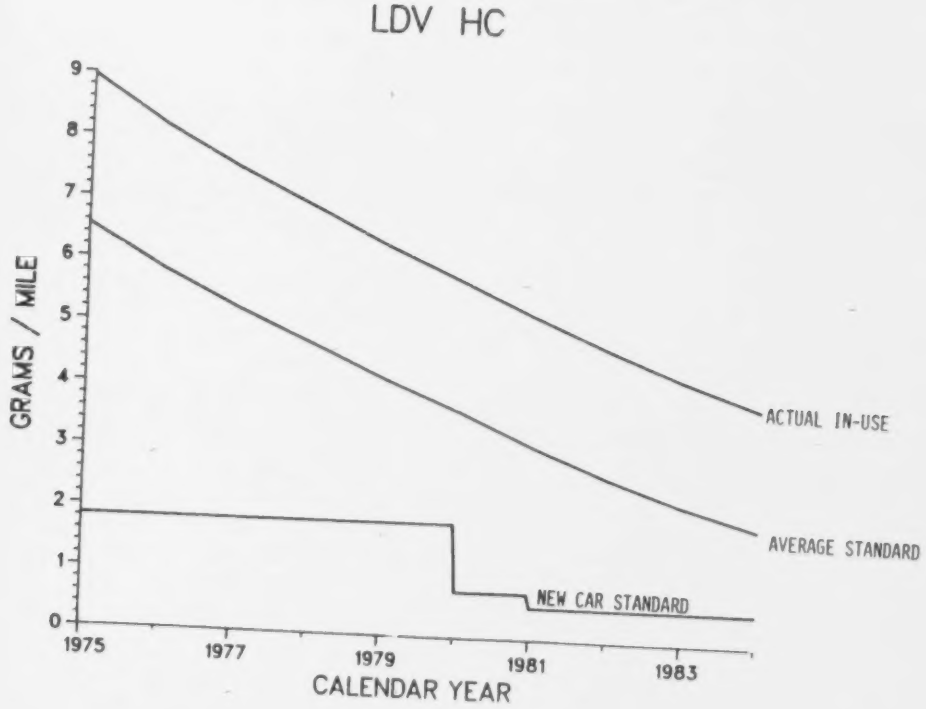
5. IN LIGHT OF THE DECEMBER 1986 GENERAL ACCOUWTING OFFICE REPORT ON GRAY MARKET VEHICLES, DO YOU THINK ANY CHANGES NEED TO BE MADE TO THE RUDMAN-INOUYE GRAY MARKET COMPROMISE THAT PASSED THE SENATE LAST YEAR?

ANSWER: Yes. We had been working with Senators Rudman and Inouye at the end of the last Congress to develop a bill that would be acceptable. Most of the agreements reached were included in S.2928. However, we believe that additional consideration must be given to some provisions. For example, we do not believe that the DOT approval process should be structured in such a way as to limit to six months the time available for the importation of a particular model of a vehicle.

Thank you for the opportunity to provide our response to matters of concern to the Subcommittee. If we can be of further assistance, please contact me.

Sincerely,

Benjamin R. Jackson
Executive Director



Senator GORE. Thank you very much. I will give Mr. McLure an opportunity to respond to any of the statements made by Mr. Jackson, if you like.

Mr. MCLURE. I think essentially he reflected our report correctly. Our report does not say you should stop importation. It merely explains how the two agencies involved, NHTSA and EPA, can strengthen their compliance enforcement program in order to make sure that those vehicles that are imported have a better chance of actually meeting the standards.

The other two panel members, I believe, think that it does not matter what a modifier does, they cannot modify the vehicles to actually comply with all of the safety standards and emission standards. We are not prepared to either agree or disagree with that position, but we do know that EPA and NHTSA can do a better job of enforcing.

Senator GORE. So Mr. Jackson, you accept everything in the GAO report?

Mr. JACKSON. I accept the conclusions. In my comments to the committee, I have some reservations about the procedures that they used to make the findings.

For example, as far as I can tell they did not talk to one direct importer, modifer or tester. They talked to manufacturers, they talked to the Federal agencies, they talked to Ford Motor Company, who does not have cars involved in the direct import market. That seems to me like they are sort of missing the point.

Senator GORE. But they came to the right answers in spite of that?

Mr. JACKSON. That is right, and the other aspect of it, I think when they reviewed vehicle compliance statements, they went back to the original manufacturers to review them. I think there are two aspects of that. One is NHTSA is responsible for interpreting compliance with the law, not the original manufacturers. If that were the case, we would never have any recalls.

So I find it a little difficult to accept the idea that we have the regulatory agency telling the direct importers what they have to do and having that being judged by the manufacturers in their own ways, whatever that might be. I would submit that they might have a bias in their judgment in that regard.

Senator GORE. The GAO also recommends that NHTSA should periodically reinspect firms and consider testing a sample of modified vehicles to check on the firm's performance in insuring vehicle compliance with safety standards. Do you support that also?

Mr. JACKSON. I support the idea of inspecting vehicles. I am not sure what you gain by inspecting facilities, Mr. Chairman. It is the same as going to an assembly line of a major manufacturer and inspecting the assembly line. What is really at issue is the car.

It gets back to the technique again that GAO used. They did not visit a facility, yet they made a recommendation that they should be visited but failed to articulate what you would discover as a result of such visitation. While I do not find it to be offensive, I am not sure it is constructive, but I do believe that cars have to be inspected. The ultimate product that goes on the road should be inspected.

Senator GORE. Mr. McElwaine, do you have any problems with what Mr. Jackson is saying?

Mr. MCELWAINE. No, not with any of Ben's statements, Mr. Chairman. We simply feel quite strongly that the legislation that is proposed here is correct and proper, that all cars should be required to conform to the same standards and that if the car does not meet those standards it should not be sold in the United States.

We do maintain that we do not believe that cars, once they are manufactured, can be modified and still conform at a cost that is acceptable to the customer. The various manufacturers, in talking to the GAO, placed the cost of modifying a car so that it actually complied at from $10,000 to $20,000, which would obviously have made it commercially impractical.

We feel that a three-year time period to test this legislation would probably prove conclusively that the cars cannot be modified and that, therefore, provisional entry should not be permitted, but we still think that the experiment should be made.

Senator GORE. Mr. Rafaeli, do you want to comment on anything you have heard here?

Mr. RAFAELI. Nothing other, Senator than that it appears from talking to people who are beyond the dealer level—I am an authorized dealer, and although I came from the service end of the business I do not consider myself qualified to determine to what extent the car is in compliance. I can physically look at an automobile and tell you whether an attempt was made.

The problem that we face as dealers is that we who, I guess, have our livelihoods at stake are all of a sudden confronted by customers who now are seeking us out as the "expert 'on the certain product and what are you going to do about this part that I can get for my car, and you look at the car and there is an air injection pump made in Japan on a Mercedes Benz. What do you tell that customer? We have to tell him that Mercedes Benz built that car without a pump, yet this is where I think the good reputation of the manufacturer and the dealer is at stake.

Senator GORE. Yes.

Well, I want to congratulate all four of you for presenting a dispute and a controversy to this subcommittee in a very helpful way. I think both sides of the debate are represented ably by the spokesmen who are here, and I think the interchange has been very informative.

Under the kinds of circumstances in which this hearing was conducted today, it would be a normal temptation to just say to the final panel submit your statements for the record. I wanted to make sure that we had full presentations and an opportunity for interchange because I think this is an important issue.

Senator Inouye has impressed upon me the importance of the issue as well. He has paid careful attention to it for quite some time, and he has submitted a series of questions for the record. I hope that you will be willing to respond.

Again, in closing the hearing I want to apologize to you and to those in the audience who were inconvenienced by the unusual scheduling. I do want to thank all of you as well for the excellent testimony, and with that the hearing will stand adjourned.

[Whereupon, at 1:10 p.m. the meeting was adjourned.]

ADDITIONAL ARTICLES, LETTERS, AND STATEMENTS

STATEMENT OF AMERICAN HONDA MOTOR CO. INC.

Thank you for providing Honda with an opportunity to comment on S. 516, Highway Safety Act of 1987, and other automotive safety issues. Our comments will be limited to those issues which affect automobiles since we do not sell trucks or multipurpose passenger vehicles in the U.S. market. As you know, in addition to being an importer of automobiles, Honda also is a major U.S. producer. In 1986, we became the fourth largest U.S. automobile manufacturer.

We would like to address the four provisions in S. 516 which deal with: 1) side impact rulemaking; 2) promotion of seat belt and passive restraint usage; 3) the National Academy of Sciences study on crashworthiness; and 4) rear seat lap/shoulder belts.

Section 3 of S. 516 requires that NHTSA open a rulemaking on side impact for automobiles within 60 days of enactment and establish an improved standard within one year. Given the complexity of the side impact issue, these time limits may not be realistic. NHTSA has this issued under active study. There is a need for further research and experimentation. As with other standards, there needs to be a "good" dummy. This does not yet exist. Other unresolved problems include the development of a side impact moving barrier, the lack of repeatability, and the test procedure methodology and injury criteria. Side impact work is also being done in the EC. The results of this work will be given at the May 1987 ESV meeting and may contribute to NHTSA's study. The time constraints in S. 516 may force a decision on a side impact rule before the research to support the standard is done. Further, Honda believes safety standards should not be legislated but set through the rulemaking process.

While we agree with the intent of Section 4 of the bill to promote the use of seat belts and passive restraints, we believe that the amount of money required to be used for air bag promotion should be reconsidered. Honda believes the use of seat belts are the most cost effective method of occupant crash protection. Seat belts are needed for occupant crash protection even when there is an air bag in the car. The bill requires that $5 million be used to carry out a program to demonstrate the effectiveness of air bag technology, with emphasis on lowest-cost technology. However, the low-cost technology for one car can not necessarily be adopted for all vehicles. Development of the lowest-cost technology for each vehicles should be entrusted to vehicle manufacturers. Therefore, we feel it may be inappropriate to use government funds to promote a specfiic air bag system. Further, we believe that any upassive restraint education program must make the public aware that air bags work in conjunction with seat belts and that air bags alone do not provide protection in side-impact, rear and rollover accidents.

The National Academy of Sciences is required by Section 5 of the bill to conduct a study to determine if an automobile crashworthiness rating system is feasible and whether it will provide useful information to consumers. Based on the results of the study and public comments, NHTSA must decide whether a useful system can be established. If NHTSA finds that it can be, then they must issue a final rule within 3 years of enactment of the bill. Taking into account the various time limits set in the bill, only 7 months are left to promulgate a rule. Here again, the issue is complex and the time limits may not allow NHTSA to take the best possible course of action.

NHTSA has been conducting experimental crashworthiness tests on new vehicles for several years. NHTSA has been unable to correlate their test results with real world crash experiences. Another drawback of such a program includes the inability to crash a representative number of cars to be valid. Further, the test are run under guidelines which cannot hope to reflect all possbile real world conditions. The test assumes that all cars hit head-on into a car of the same size and weight. Finally, even if such a system could be devised, it seems extremely improbable that crashworthiness ratings could be given to consumers in an understandable way. We be-

lieve it is appropriate to allow NHTSA to continue to do research and experimentation in this area absent of any time contraints.

Under Section 7 of S. 516, NHTSA must open a rulemaking to amend MVSS 208 to require the installation of rear seat lap/shoulder belts at outboard seating positions beginning September 1, 1989. A final rule is to be set within 12 months. Honda has installed rear seat lap/shoulder belts in its Accord model since 1982 and in the Legend since its introduction in 1986. We plan to rapidly phase-in rear seat lap/shoulder belts at the outboard seating positions in other models. The industry trend is clearly toward the installation of rear seat lap/shoulder belts. Several manufacturers have made commitments tgo introduce these sytems as their cars are redesigned. Voluntary installation of rear seat lap/shoulder belts allows them to be cost-effectively designed into the car. This is an issue that can be decided in the market place.

In the Committee's letter of invitation, several other automotive safety issues were raised which are not addressed by S. 516. First, you ask for information on the extent to which our light trucks and multipurpose vehicles meet passenger car safety standards. As we stated earlier, we do not market these types of vehicles in the U.S.

Second, the Committee's letter requested information on Honda's plans to exceed the passive restraint requirements of MVSS 208. We are meeting the 1987 requirement with a 3-point passive seat belt in the Accord Hatchback and the 1988 Prelude which will be introduced in June 1987. Honda has announced plans to offer a driver side air bag on a new model to be introduced this spring. Sales of cars with air bags will be in addition to those needed to meet the 10 percent requirement for 1987. Honda plans to continue to meet the rule's requirements wiht a combination of passive belts and air bags in future years, but specific plans have yet to be finalized.

As is true of other manufacturers who are offering air bags, Honda's is a driver side system only. Unsolved technical problems for passenger side air bags remain. These include the standing child and the out of position occupant. As a strong advocate of seat belt use, Honda is especially concerned over a potential safety trade-off between air bags and seat belts. We view air bags as a supplemental restraint system to seat belts. Used alone, air bags are not effective in the wide varitey of accidents that occur including roll overs, rear-end and angle collisions when used as a supplement to seat belts. Our concern has been, and continues to be, that consumers realize that they must use their seat belt and not rely solely on any air bag systems.

Third, you ask for our plans on rear seat lap/shoulder belts. Honda's response is included in our comment on Section 7 of the bill.

Fourth, the Committee has asked for a list of our 1987 cars, by make and model, which meet the current, the 1979 (phase 1) and the 1980 (phase 2) standards. The list is as follows:

Make	Model	Front	Rear
Honda	Accord hatchback	1980 (Phase 2)	1980 (Phase 2)
	Accord 4-Dr	1980 (Phase 2)	1980 (Phase 2)
	Prelude	1980 (Phase 2)	1980 (Phase 2)
	Civic hatchback	1979 (Phase 1)	Current + λ)
Honda	Civic 4-Dr	1979 (Phase 1)	Current + λ)
	Civic wagon	1979 (Phase 1)	Current + λ)
	Civic CRX, except HF version	1979 (Phase 1)	Current + λ)
	Civic CRX, HF version	Current	Current
Acura	Legand 4-Dr	1980 (Phase 2)	1980 (Phase 2)
	Integra 2-Dr. hatchback	1979 (Phase 1)	1979 (Phase 1)
	Integra 4-Dr. hatchback	1979 (Phase 1)	1979 (Phase 1)

1980 (Phase 2): means complying with Phase 2 damage criteria at test speed of 5 mph.
1979 (Phase 1): means complying with Phase 1 damage criteria at test speed of 5 mph.
Current + λ: means complying with Phase 1 damage criteria at test speed of more than 2.5 mph (about 3 or 4 mph).
Current: means complying with Phase 1 damage criteria at test speed of more than 2.5 mph.

Thank you again for allowing us to comment on these important safety issues.

Statement of the American Insurance Association

On behalf of the American Insurance Association (AIA), I am pleased to submit comments on the reauthorization of the National Highway Traffic Safety Adminis-

tration (NHTSA). The Association represents 171 casualty insurers who write about $8.8 billion in private passenger and commercial automobile insurance premiums annually or about 16.72% of all the automobile insurance written in the United States. Consequently, our members have a significant economic as well as a strong humanitarian interest in reducing traffic accidents. Reduction of these accidents not only means less human suffering, but its is an important concomitant to reform of the automobile insurance system. Safer vehicles, roadways and driving habits mean reduced losses, which can in turn help stabilize or reduce insurance rates.

From the advent of the first gasoline-powered vehicles at the turn of the century, this country has developed a vast, flexible form of transportation basic to its economy and way of life. This development has been marked by a tremendous network of roads, highways and satellite facilities, by millions of vehicles, and by million of persons who drive them. It has also been marred by tragedy as the numbers of accidents, injuries and deaths have kept pace with the rising tide of traffic. In addition, it has been expensive, reaching an estimated annual cost of $76 billion to society in 1985 in medical bills, insurance administration costs, lost productivity, costs of emergency services, legal and court costs, public assistance programs, and property damage, not to mention human suffering.[1]

Traffic safety is a major public health problem composed of many interacting elements. The methods to contain the problem and to reduce the loss of life are diffuse and frequently complex. It is AIA's belief that this problem can be attacked by: (1) improving the safety of vehicles, highways, and drivers; (2) encouraging state and community leaders to devote greater resources to safety education and traffic law enforcement; and (3) encouraging the use of available occupant restraint systems.

Toward that end, it is obvious that the National Highway Traffic Safety Administration (NHTSA) has a crucial role to play. As the Government's key agency on highway safety, it has the power to issue motor vehicle safety standards that will save thousands of lives. Many such standards have been promulgated since the agency was established in 1966, but much more needs to be done. Although there was reduction in highway fatalities from 1984 to 1985, NHTSA has reported that preliminary data for 1986 shows that approximately 45,643 people died in traffic accidents, an increase of almost 2,000 from the 1985 level. We commend the Subcommittee, therefore, for focusing its attention on the reauthorization of NHTSA early in the 100th Congress, and we would like to voice our support for a number of measures we believe should be implemented as part of NHTSA's efforts to fulfill its mandate.

REAR LAP/SHOULDER BELTS

Much of the focus on occupant protection until recently has been on improvement of front seat occupant safety. This effort, we are pleased to note, appears to be realizing some success through the enactment of mandatory seat belt use laws in twenty-four states and the District of Columbia, and with the implementation of the passive restraint requirements of Federal Motor Vehicle Safety Standard 208, the announcement by major auto manufacturers of plans to equip large volumes of vehicles with air bags.

The Association is also pleased that back seat occupant safety is receiving increased attention. The National Transportation Safety Board's report of August, 1986, which questioned the effectiveness of rear seat lap belts, has sparked much discussion which will hopefully result in the requirement of lap/shoulder belts in the rear seats of passenger cars.

Although the AIA believes that rear lap belts do provide important protection for vehicle occupants, we believe lap/shoulder belts would provide better protection than lap belts alone. NHTSA Administrator Diane Steed has indicated that her agency is currently preparing a Notice of Proposed Rulemaking to require lap/shoulder belts in rear seats. We applaud Ms. Steed's remarks but urge the Subcommittee to adopt legislation requiring such a rulemaking if NHTSA continues to delay action.

SIDE IMPACT PROTECTION

According to the National Highway Traffic Safety Administration, side impact crashes result in one-third of all occupant fatalities each year. While no one, including NHTSA, disagrees that the Federal standard addressing this issue needs to be

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[1] "Insurance Facts, 1986-87, Property/Casualty Fact Book," Insurance Information Institute, page 75.

upgraded, there is disagreement on how much more time is needed to accomplish it. AIA believes that there has been ample time to research and improve Federal Motor Vehicle Safety Standard 214 since agency activity was postponed in 1982, and we urge Congress to direct NHTSA to issue a Notice of Proposed Rulemaking as soon as possible.

LIGHT TRUCKS AND MINIVANS

Because of the increased popularity of light trucks and minivans in recent years, serious questions have arisen concerning the use and safety aspects of these vehicles. Even though many are now used primarily as passenger vehicles, they continue to be exempted by NHTSA from many passenger car safety standards which we believe would help greatly reduce injuries and fatalities to occupants of these vehicles. We strongly support, therefore, immediate action by NHTSA to promulgate regulations requiring the application of Federal passenger car safety standards—roof crush resistance, head restraints, passive restraints, and high mounted rear brake lights—to light trucks and minivans.

CONCLUSION

Although many advances have been made in highway safety since the enactment of the National Traffic and Motor Vehicle Safety Act and the Highway Safety Act, the rise in highways fatalities in 1986 underscores the urgent need for the continuation of proven safety measures along with new and more innovative techniques. We urge NHTSA to aggressively pursue such measures, but we encourage the Congress to legislate when NHTSA fails to act. The three issues addressed in these comments—rear lap/shoulder belts, improved side impact protection, and federal safety standards for light trucks and minivans—are by no means the only areas in need of action. They are, however, a major step forward in the fight to reduce deaths and injuries on U.S. roads and highways, and the American Insurance Association urges quick adoption and implementation.

MERCEDES-BENZ OF NORTH AMERICA, INC.
Montvale, NJ, March 20, 1987.

Hon. ALBERT A. GORE, Jr.,
Chairman, Consumer Subcommittee, Hart Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: We have been following with great interest your progress on the reauthorization legislation for the National Highway Traffic Safety Administration (NHTSA), and we are particularly appreciative of your decision to include the issue of gray market vehicles in the hearing before the Consumer Subcommittee on March 6. The time is plainly right for vigorous congressional action in this area.

As you know, both houses of Congress considered detailed testimony and conducted extensive hearings on this issue during the past two years, and each house ultimately approved a comprehensive package of measures to regulate the gray market. Since that time, the General Accounting Office has issued a report on the gray market which amply confirms all of the information on fraud and abuse which led to the passage of H.R. 2248 and S. 863 last year.

In a letter to me on June 17, 1986, NHTSA Administrator Diane Steed indicated her concern over the gray market problem and her support for a restructuring of the gray market "along the lines proposed in S. 863" and the similar proposal then under consideration in the House. Ms. Steed stated that "[w]e support legislation that would concentrate the program on registered commercial importers, which should afford tighter supervision of the modification process." In addition, EPA has acknowledged the seriousness of the gray market problem and is currently engaged in a lengthy rulemaking focused on revamping the EPA gray market program.

Federal and state prosecutions of unscrupulous grey marketers increased in 1986, with federal convictions of a number of importers for mail fraud, submission of false statements to the federal government, and other violations of federal laws governing the gray market. These prosecutions uncovered a variety of schemes by which gray market importers and modifiers defrauded consumers and evaded federal controls.

In addition, the State of California has promulgated stringent new regulations controlling the compliance of gray market vehicles with that state's unique emission control laws. Also, the Canadian government has consistently banned the importation of vehicles which do not meet Canadian safety standards. The Canadian position is very simple: dealers and garages are considered to be incapable of modifying

a vehicle to meet Canadian standards. A vehicle which lacks a Canadian Statement of Compliance label cannot be imported into the country.

The consumer problems associated with the gray market are demonstrated by the large number of complaints and inquiries relating to gray market vehicles handled by MBNA over the past few years. These inquiries have concerned false title documentation, fraudulent misstatements of vehicle model years, odometer rollbacks, schemes through which consumers pay for cars they never receive, and international traffic in stolen vehicles.

As the attached summary of our April 30, 1985 testimony before the House Subcommittee on Telecommunications, Consumer Protection and Finance demonstrates, MBNA has long supported the passage of legislation to address the loophole which permits the gray market to exist in its current form. Also attached is the complete April 30 statement which we believe provides an overview of the gray market problem, subsequently confirmed in the GAO report. We would appreciate your making these materials part of the record. Earlier we provided your staff with the following materials:

1. NHTSA report to Congressman Wirth on gray market car compliance evaluation. (June, 1985)
2. Mercedes-Benz letter and report to NHTSA on noncompliance evidence. (March, 1985)
3. Mercedes-Benz report to NHTSA re dealer survey, vehicle fires, and NHTSA release package survey and Administrator Steed reply. (May–June, 1986)
4. MBNA Guide to States on Titling and Registration of Gray Market Vehicles. (1986)

Although legislation regarding the gray market has previously been approved by both the Commerce Committee and the Committee on Environment and Public Works, and although legislation last year passed both houses of Congress, no such measures have been finally enacted into law. It is clear that legislation along the lines of the Senate or House bills passed last year is needed as a minimum measure. In light of the long history of legislative consideration of this issue, however, it is important that any bill approved this year include an automatic trigger or sunset provision to facilitate prompt response in the event that the new gray market program turns out to be as ineffective as the current system.

We appreciate having the opportunity to state our views on this issue.

Sincerely,

KARL-HEINZ FABER.

STATEMENT BY R. DENNIS SMURR, ASSOCIATE ADVOCACY DIRECTOR, PARALYZED VETERANS OF AMERICA

Chairman Gore and Members of the Subcommittee it is both an honor and a privilege to present to you the comments and concerns of the Paralyzed Veterans of America regarding S. 550, a bill introduced by Senator Kerry which seeks to amend Chapter 4 of Title 23 of the United States Code to provide for a nationwide system for uniform handicapped parking.

The Paralyzed Veterans of America (PVA) is a 40 year old veterans service organization, chartered by Congress in 1971 to address the unique needs of this nation's catastrophically disabled veteran population. Our organization's membership is not large, primarily because in order to be a PVA member one has to be both a veteran and have incurred an injury or disease of the spinal cord which results in varying degree of permanent paralysis. Because of this paralyzing condition, nearly all PVA are mobility-impaired and most must rely upon the use of wheelchairs and other assistance devices to overcome their inability to walk and function as contributing members of our society.

Our necessity to use wheelchairs has caused PVA to become one of the leading advocates for the removal of certain architectural barriers such as curbs, steps and narrow doorway openings, all of which serve to impede or deny access to many places of business, employment, housing, and recreation for persons with mobility-impairments. We are proud of our accomplishments and pleased that Congress has seen fit to provide state and local government monies to replace steps with ramps, curbs with curb cuts, and private enterprise with a tax deduction to aid in the removal of architectural barriers through the use of Section 190 of the Internal Revenue Service Code. One area of improved accessibility that continues to allude mobility-impaired citizens is the issue of handicapped parking. It is for this reason that PVA is pleased to support the language and intent of S. 550 as introduced by Senator John F. Kerry on February 19, 1987.

Senator Kerry's bill, referred to as the "Traffic Safety of Handicapped Individuals Act of 1987", seeks to accomplish three very laudable and much needed objectives. First, it seeks to establish one symbol, the International Symbol of Accessibility, as the only recognized symbol for identification of vehicles used to transport persons with a mobility-impairment. Secondly, the bill would require that this symbol be prominently displayed in one of two distinct places on the vehicle transporting a mobility-impaired individual, either directly on the license plate or on a removable windshield placard. Lastly, the bill would require states to honor the license plate or placard as issued by another state and to grant to that vehicle so marked the same handicapped parking privileges as provided others within the state.

PVA strongly believes these three objectives will go far toward correcting what is quickly becoming an almost unenforceable handicapped parking dilemma facing mobility-impaired persons nationwide, especially as it pertains to those inividuals who travel from one jurisdiction to another. We realize full well the serious implication that exists for the Federal government to step into the area of motor vehicle licensing and control which has traditionally been a state's right issue. But, we strongly feel that Federal intervention is very much needed in this particular circumstance since there exists such a wide disparity between and among the states as to what constitutes a disabling condition, how vehicles should be marked, how many extra-wide spaces should be set aside for use by mobility-impaired persons, and what type of parking privileges should be extended to mobility-impaired persons to help them compensate for their disability.

PVA would encourage the Subcommittee to consider an amendment to S. 550. This amendment would go one step further toward establishing uniformity in handicapped parking by defining what conditions consitute a mobility-impairment. We offer this amendment for two reasons. First, it has been our experience that one state will refuse to honor another state's mobility-impaired motorist because each has a different definition of what constitutes a disabling condition. Secondly, and more importantly, most states require and accept a physician's statement that the person making application for handicapped parking privileges, is, in fact, disabled.

PVA strongly believes that total reliance upon a physician's statement as proof of disability has opened a pandora's box of abuse both for the person who truly needs use of the handicapped parking spaces and for those who, because their doctor agreed to support their request for handicapped parking privileges, utilize these specially-designated parking spaces as though they were a "perk" granted them due to their past accomplishments or status in life. This should not be the case and it would not be the case if a uniform definition of mobility-impairment existed that would assist a physician understand the term and, in addition, allow the issuing state agency, (usually its Department of Motor Vehicles), a method of verifying that the requesting applicant of handicapped privileges, is in fact, truly mobility-impaired. The definition which we propose as an amendment to S. 550 would read as follows:

For purposes of these provisions, "handicapped or disabled person" means any individual with a severe visual, audio, or physical impairment including partial paralysis, lower limb amputation, chronic heart condition, emphysema, arthritis, rheumatism or other debilitating condition which limits one's personal mobility and results in an inability to travel more than 200 feet without the use of a wheelchair, crutch, walker, prosthetic, orthotic or other assistive device."

Our rationale for purposing this specific definition lies in the fact that it is all encompassing of those conditions which truly limit one's personal mobility, while at the same time it is a definition that can be verified not only by a physician but by the issuing authority within a state that provides handicapped plates and placards. It should be noted that this definition was adopted by the National Committee for Uniform Traffic Laws and ordinances. This organization has the responsibility for development of the Uniform Vehicle Code, which serves this nation's many state and local municipalities in drafting uniform motor vehicle regulations. This definition was adopted by the National Committee at their annual meeting on November 28, 1984, and although it exists, states are not required to adopt the definition as law, unless they wish to do so. Therefore, by including this definition as part of S. 550, states would be required to reassess their existing definition and application procedures to bring the matter into a more uniform and verifiable procedure.

Mr. Chairman, it should be noted that the Congress of the United States has already gone on record encouraging the fifty states and the District of Columbia to establish a more uniform system of handicapped parking and to enter into agreements of reciprocity honoring out-of-state vehicles bearing the International Symbol of Accessibility. This was accomplished as a resolution which was attached as an amendment to the 1984 Appropriations Bill for the Department of Transportation.

Public Law 98-78 as enacted on August 15, 1983. PVA was pleased to have been part of this effort and we are indebted to Senator Durenberger and former Senator Jepsen for having this resolution incorporated into the bill which became law. In addition to the resolution, PVA, in 1985, drafted and had circulated to each of the 50 state Governor's Committee on Employment of the Handicapped a copy of our proposed "Model Regulations: For the Parking and Licensing of Motor Vehicles Used by Handicapped Persons".

The result of these efforts has been mixed. Some states have completely rewritten their laws pertaining to handicapped parking, others have agreed to extend their handicapped parking privileges to properly designated out-of-state vehicles carrying a mobility-impaired person. Still other states, due to either a lack of concern of conflicting "home-rule" statutes have failed to address the problems faced by mobility-impaired individuals who have need to travel outside their local jurisdiction or state of residence.

The number of states that fall into this latter category probably number between 8 and 16 and the reason for a lack of a more definitive number stems from the fact that some states are in the process of initiating legialative changes and others failed to respond to a recent inquiry. The end result of any tabulation made of the states on handicapped parking would certainly reflect a large degree of frustration not only on the part of the traveler with a mobility-impairment but also for the enforcement officer charged with trying to police those spaces set aside for handicapped parking. Much of this frustration could be alleviated by passage of S. 550. More uniformity would result, but more importantly the safety and well-being of mobility-impaired persons would be assured.

As to the issue of safety, PVA cannot emphasize strongly enough that the specially-designed and strategically located parking spaces set aside for use by persons with mobility-impairments are offered not as a matter of courtesy or convenience, rather they are provided as a safety measure to those bonafide individuals who require them. Handicapped parking spaces are, if established by American National Standards Institute (ANSI standards), extra wide measuring 12 feet rather than the normal 8 feet. This extra width assures the mobility-impaired individual a degree of safety which is needed to accommodate a transfer from a wheelchair to a car or to allow the individual to load into a specially-modified, lift-equipped van.

The handicapped parking spaces are generally placed close to an accessible building entrance, again not for the convenience of the parking space user, but for their safety. To have handicapped parking spaces located at great distances from an accessible building entrance puts the mobility-impaired individual at risk of personal injury and/or further complication of his or her disabling condition. In addition, the mobility-impaired individual also poses a serious threat to other motorists who may either be driving by the parking space or using the parking lot where the spaces are located. A wheelchair, as well as an individual who is walking very slowly, can be very easily overlooked in a busy and crowded parking lot.

Mobility-impaired individuals should not be denied the use of handicapped parking spaces simply because the individual is not a resident of the state where the parking space is located. The passage of S. 550 will serve to rectify this inequitable and unsafe dilemma which presently confronts mobility-impaired individuals.

In closing, let me remind each of you that America is a very mobile society. As a nation, we have maintained a strong and long-standing love affair with our personal means of conveyance. The motor vehicle in America has come to represent independence, freedom of choice, and the ability to travel, unencumbered, wherever and whenever one chooses. This is a right and privilege granted each and every American citizen over 16 years of age, but handicapped parking privileges are not uniformly guaranteed citizens with mobility-impairments.

PVA believes it is time that the Federal government do what state and local entities have been unable to accomplish—to create a uniform system of handicapped parking. Your favorable consideration of S. 550 will be a first step toward making this a reality. Thank you very much for this opportunity to comment upon the bill presently under your consideration.

Comments of Toyota Motor Corp.

Toyota Motor Corporation (Toyota) is pleased to provide the Consumer Subcommittee comments relating to motor vehicle safety issues. These comments will be in two parts. The first will address the subjects contained in prior and current bills to re-authorize the National Highway Traffic Safety Administration (NHTSA). The

second will address specific questions raised in a February 24, 1987 letter from Senators Hollings and Gore to Toyota.

Before addressing either of these issues in detail, Toyota believes it should make clear to the Subcommittee the important role safety plays in the design of our vehicles. Toyota has devoted major engineering and design efforts to promote vehicle safety. We take great pride in the quality of Toyota vehicles. Part of overall vehicle quality is safety.

Toyota is using the most up-to-date methods of vehicle design and construction which maximize the protection provided to passengers in the event of impact. We are also working diligently on crash avoidance performance. Toyota has made, and will continue to make improvements in braking performance, increased driver vision, improved means of vehicle recognition by other drivers, as well as improvements in structural integrity of the vehicles. These improvements will increase the safety of our vehicles, while also enhancing durability, riding comfort and performance.

Because traffic accidents occur as a result of a combination of factors, such as human error and environmental conditions, Toyota's research is aiming at reducing these factors as much as possible, while protecting the vehicle occupants if an accident occurs. However, given the limitations on the performance of drivers and traffic/highway conditions, we do not believe it is possible to have accident-free driving. Thus, we take our vehicle safety responsibilities seriously.

Toyota has been a leader in passive belt technology. We were the first manufacturers to introduce a motorized automatic front seat belt system in the 1980 Corona model as optional equipment. In the 1981 model year Toyota made this system standard equipment on all Cressida models. The feedback from vehicle owners about this system has been very positive. Cressida owners have reported that the system is comfortable, easy to use, and performs well when necessary.

As will be addressed in detail below, Toyota has voluntarily designed our trucks and MPV's to comply with many of the same standards as passenger vehicles.

Toyota is concerned that action being considered at this time by the Environmental Protection Agency (EPA) regarding vehicle refueling emission controls could have an adverse effect on vehicle safety. EPA has publicly stated that it is looking closely at requiring all vehicles to install systems to capture gasoline vapors generated during vehicle refueling. These systems would require the installation of canisters which are 6–8 liters in size. In addition to the canisters, new vapor lines, liquid/vapor separators, switches and valves must also be installed. Toyota, like many other manufacturers of smaller vehicles, is likely to have to locate the canister and the associated equipment in the rear of the vehicle (due to lack of space in the engine compartment). A requirement to install this equipment would create significant design problems, particularly in fastback models where there is no separate trunk.

Recently the Insurance Institute for Highway Safety (IIHS) has written to EPA to urge it to control refueling vapors by use of controls on service station fuel pumps, such as those found in California, due to concerns over auto safety. NHTSA has also communicated to EPA that EPA's estimates regarding the date for installation of this system do not adequately take into account the design and testing necessary to assure compliance with FMVSS 301.

Section 202(a)(6) of the Clean Air Act requires EPA to consult with the Department of Transportation prior to imposing any requirement to install refueling control systems on vehicles. Toyota urges this Subcommittee to encourage NHTSA to carefully review any EPA plan to require these systems, particularly in light of the availability of alternative means to control these vapors (assuming for the sake of argument that there is a need to control these vapors).

NHTSA REAUTHORIZATION PROPOSALS

After reviewing the bills considered in the 99th Congress and thus far in the 100th Congress relating to the re-authorization of NHTSA, Toyota finds that there are several issues common to several of these bills. We will address each of these common issues.

Side Impact Protection.—Both S. 863 in the 99th Congress, and S. 516 in this Congress contain a section requiring NHTSA to commence and complete rulemaking on side impact protection for both passenger vehicles and light-trucks/MPV's. Toyota believes the strict time limits contained in these bills could be counter-productive. If NHTSA is required to begin and complete rulemaking by specific dates, it may not have adequate information available to promulgate the most cost-effective requirements. Indeed, if too rapid information of new requirements are mandated, NHTSA

may be forced to re-evaluate these rules shortly after they are promulgated. This could lead substantial expenditure of additional resources by NHTSA and the automobile industry.

NHTSA's recent public statements indicate that they are completing research and are very close to proposing new regulations on this subject. Given NHTSA's planned activities, we hope that over-strict time burdens will not be imposed on the rulemaking process.

With respect to light-trucks and MPV's, Toyota believes any regulatory action on side impact must take into account the differences in the relative height of these vehicles as opposed to passenger cars. An analysis of accident data for light trucks and MPV's shows that injuries/fatalities for side impact accidents are less frequent and less severe than for passenger vehicles.

Toyota does not have an explanation for the lower frequency of side impact collisions involving light-trucks and MPV's. However, the lack of severity of injuries may be explained by the relative height difference between light-trucks/MPV's and passenger vehicles. If a passenger vehicle strikes a light-truck/MPV, it is more likely that the frame of the truck/MPV will provide protection to the driver or occupant.

As in the case of passenger vehicle requirements in these bills, Toyota believes over-strict deadlines for rule-making will jeopardize the quality of the rulemaking undertaken by NHTSA, and, therefore, may be counterproductive.

Crashworthiness.—Both S. 863 and S. 516 contain provisions requiring the National Academy of Science to conduct a study to determine if it is feasible to establish a uniform crashworthiness rating system for vehicles. Rulemaking may or may not be undertaken depending on the results of this study.

Toyota believes that instead of an NAS study of controlled tests for crashworthiness, NHTSA should conduct a study of available accident data which may provide a more "real world" analysis of relative crashworthiness. Such a study must take into account not only the number of accidents per vehicle population, but injuries (or lack thereof) in these accidents. This study should also take into consideration factors such as the age, sex, and income category of drivers involved in accidents, as well as whether the driver was drunk and whether the driver and/or passengers was using seat belts.

Toyota strongly believes any such study must focus on the injuries to occupants rather than the amount of property damage to the vehicle. Property damage is a very poor indicator of the crashworthiness of a vehicle in high speed impacts. This is particularly true in more recently designed vehicles which are made to have the structure absorb the major portion of the impact. This may lead to higher property damage claims, but more importantly, fewer serious injuries to occupants.

Light Truck/MPV Safety.—S. 516 contains a provision to require NHTSA to commence and complete rulemaking proceedings on several safety standards for light-trucks and MPV's. As will be shown in the response to the Subcommittee's specific questions, Toyota's light-trucks and vans voluntarily meet many of the standards that apply to passenger vehicles.

With respect to the requirements in S.516 regarding high-mounted stop lamps, there are several factors which could lessen the utility of these devices as applied to pick-ups. First, if the lamp is mounted on the top of the tailgate, it is likely to be easily broken or damaged by loading and unloading of common objects, such as long pieces of lumber, toolboxes, power equipment, etc. Second, if the lamp is made an integral part of the tailgate, the height of the lamp will be no greater than the existing tail/stop lamps. The only difference will be the center mounting. Third, if the lamp is placed on the vehicle roof, its effectiveness may be limited due to the distance forward of the rear of the vehicle and by the application of camper-tops. Due to these considerations, Toyota does not believe Congress should mandate these devices on trucks.

Turning to passive restraint requirements for light-trucks and MPV's, NHTSA has publicly indicated that it will initiate a rulemaking proceeding for these vehicles in the very near future. Because of NHTSA's intention, we see no benefit to Congressional action on this subject.

Rear Selt Belts.—As in the case of side impact and light-truck/MPV standard provisions in S.516, NHTSA has announced its intention to initiate rulemaking on rear lap and shoulder belts in the very near future. This rulemaking will eliminate the need for any Congressional action.

Notwithstanding any NHTSA or Congressional action, Toyota intends to make rear outboard lap and shoulder belts standard equipment on the Model Year 1988 Cressida and Camry vehicles. Beginning in Model Year 1989, Toyota will equip all passenger cars and MPV's with rear outboard lap and shoulder belts.

Toyota's plans are consistent with our efforts to encourage the use of seat belts by all vehicle occupants. Toyota has been conducting several seat belts usage promotion activities with our U.S. advertising agencies and dealer groups.

SPECIFIC SUBCOMMITTEE QUESTIONS

The Subcommittee's letter dated February 24, 1987 asked four specific questions relating to safety and consumer protection issues. The following is Toyota's response to these questions:

Question 1.—Table 1 provides the required matrix for model years 1983-1988 for each Toyota light truck and MPV. Please note that the Tercel 4-wheel-drive wagon is registered in some states as an MPV. However, Toyota certifies this vehicle as a passenger car; therefore, it complies with all FMVSS applicable to passenger vehicles.

FMVSS 102 and 103 have separate requirements for both passenger vehicles and light trucks. All Toyota light-trucks and MPV's meet the more stringent passenger vehicle requirements. FMVSS 105 has separate stopping distance requirements for passenger vehicles and light trucks/MPV's. Toyota believes that due to the differing use and load factors for trucks and MPV's it is inappropriate to require these vehicles to meet passenger vehicle standards.

Question 2.—As stated above, Toyota made motorized passive belt systems standard in the Cressida vehicle in Model Year 1981. For Model Year 1987, the motorized passive belt is standard equipment on both the Cressida and Camry models. Toyota expects that these two models will account for approximately 30% of Toyota's passenger car sales in Model Year 1987. This exceeds the phase-in requirements for this model year by approximately 20%.

For Model Year 1988, Toyota plans to continue to offer the motorized passive belt as standard equipment on the same models as 1987. The percentage of passenger vehicle sales for these two models is not expected to change. Thus, the phase-in requirement will be exceeded by approximately 5%.

Plans for Model Year 1989 are not yet determined. Toyota intends to meet the 100% requirement for passive restraints in Model Year 1990.

Toyota has an on-going development and evaluation program for airbag systems. At this time we are not able to specify the model and introduction date of such a system. As soon as Toyota has any more definitive plans, we will inform the Subcommittee.

Question 3. As stated in our comments above, Toyota intends to have lap and shoulder belts in the rear outboard seating position as standard equipment on Model Year 1988 Cressida and Camry vehicles. Rear lap and shoulder belts will be optional equipment on all other Model Year 1988 passenger vehicles and MPV's. For Model Year 1989 all Toyota passenger vehicles and MPV's will have as standard equipment lap and shoulder belts in the rear outboard seating positions.

Question 4.—Table II describes the bumper systems installed on Model Year 1987 Toyota passenger vehicles. As can be seen, all Toyota passenger vehicles exceed the current bumper standard. Even after NHTSA relaxed this standard to the 2.5 mph requirement, Toyot vehicles continued to meet more stringent requirements.

Toyota is pleased to have the opportunity to submit these comments to the Subcommittee. We will be happy to answer any questions the Subcommittee may have for the record.

Attachments.

TABLE I

Stds.	Model	Multi-Purpose passenger cars				Light trucks	
		Van [1]	Land Cruiser	4-Runner [1]	Cargo van [1]	4-Runner [1]	Pickup truck
118	Power windows	(Required)	(Required)	(Required)	(2)	(2)	(2)
202	Head restraints	(2)	(2)	(2)	(2)	(2)	(2)
208	Automatic occupant crash protection	(3)	(3)	(3)	(3)	(3)	(3)
211	Wheel Discs, Hub caps	(Require)	(Required)	(Required)	(2)	(2)	(2)
214	Side door strength	(2)	(3)	(3)	(2)	(3)	(3)
216	Roof crush strength	(2)	(2)	(2)	(2)	(2)	(2)

[1] Introduced in 1984 Model Year.
[2] Complies with passenger car requirement.
[3] Does not comply with passenger car requirement.
Note: This table covers 1983-1988 model year vehicles.

TABLE II

Model	5 mph (phase 2)	5 mph (phase 1)	2.5 mph
Cressida	(2)		
Supra	(2)		
Celica	(2)		
Camry	(2)		
MR 2	(2)		
Corolla	(2)		
Tercel		(2)	
		(2)	

[2] Complies with passenger car requirement.

Note: This table covers 1987 model year vehicles.

Statement of Volkswagen of America, Inc.

Volkswagen of America, Inc. ("Volkswagen") is pleased to offer this statement for the record regarding automotive safety legislation under consideration by the Subcommittee on Consumer of the Committee on Commerce, Science and Transportation, that would authorize funds for the National Highway Traffic Safety Administration for Fiscal Year 1988.

(A) SIDE IMPACT PROTECTION

In our view, there is general agreement among all interested parties—the Congress, the National Highway Traffic Safety Administration (NHTSA), the automobile manufacturers, the insurance industry, academia and concerned safety organizations—that upgraded side impact protection is desirable and that efforts to bring about upgraded side impact protection should proceed apace.

The unresolved question is what criteria this upgraded protection should meet. More detailed questions such as the following msut also be answered:

What type of injury criteria correlate with real-world injuries is side impacts?

How can mitigation of these injuries by upgraded side impact technology be measured on a surrogate for humans, i.e., an anthropomorphic test dummy?

What test procedure best represents, or serves as a substitute for, real-world side impact events?

Volkswagen believes that the NHTSA is proceeding expeditiously and properly in answering the outstanding questions on this complex technical issue, and that a cost-beneficial upgrading of FMVSS 214 will result when the necessary research and development work is completed. The Agency's two-day public hearing held May 28–29, 1986, provided a forum to address the outstanding questions, and served notice that the correlation of test parameters with accident kinematics are still unresolved and an acceptable injury criteria is yet to be developed. The NHTSA is in the process of testing dummy candidates and continues research on biomechanical injury criteria.

It is with this understanding that Volkswagen recommends that specific legislative provisions not be included in a NHTSA authorization bill. NHTSA's goal in improving side impact protection has already been stated; a vast amount of past experience and expertise lies within NHTSA' and it is our belief that a general call for upgrade side impact protection under an artificial time table would be counterproductive.

Certainly, the Congress is entitled to a thorough review of NHTSA's past efforts and future plans in the area of side impact protection; it is our opinion that such a review will assure concerned Members that NHTSA is pursuing the best course of action in this complex subject.

(B) AUTOMOBILE CRASHWORTHINESS DATA

There is more than enough data in the NHTSA docket on this subject to demonstrate the difficulty—indeed, perhaps even the futility—of attempts to develop a meaningful crashworthiness rating system. Among the challenges to the generation of such a testing system are: (1) the problems of relating single crash tests to the myriad of real-world accident experiences; (2) problems with test repeatability and reproducibility, as envidenced by NHTSA's 16 car round-robin test program; and (3) the problems of how to set a realistic time table so that crashworthines rating

data—if it could be developed—would be available for the introduction of new models in an era of computer-aided design and manufacturing.

Rather than legislating a detailed program for an elusive goal, NHTSA should be directed to inform the Congress of its extensive efforts in crashworthiness evaluation to date, and to assess the potential for ever achieving a realistic crash-worthiness rating system that would benefit the car-buying public.

It should not go unnoticed that NHTSA accident statistics, maintained for many years, contain basic information on vehicle makes and models. It is doubtful that even this "real-world" information gives a clue whether one vehicle is more crashworthy than another, for a given category of vehicles. It has long been recognized that characteristics other than vehicle crashworthiness—such as driver demographics, use of alcohol or drugs, road conditions, and environmental conditions—play by far the most prominent role in accident involvement.

(C) MULTIPURPOSE PASSENGER VEHICLE SAFETY

Volkswagen supports NHTSA's actions to evaluate the application of passenger car safety standards to those multipurpose passenger vehicles (MPVs) which are used primarily to transport passengers. However, certainly the need for any upgrading of MPV standards should be based on cost-benefit analysis.

If NHTSA is already proceeding in the pre-rulemaking stage on upgraded MPV standards, specific legislation would not be necessary. The effective date of any such rulemaking should be based on a realistic time table for implementation of modifications to existing or planned MPVs.

As a point of information, the Volkswagen Vanagon, a vantype multipurpose passenger vehicle, meets or exceeds all but a very few passenger car safety standards.

(D) REAR SEAT BELTS

Volkswagen supports optimum protection for rear seat occupants, and is pleased to note that all of the VW Jetta, VW Quantum, Audi 4000, Audi Coupe and Audi 5000S models sold in the U.S. are equipped with three-point lap-shoulder seat belts with emergency-locking retractors at the rear outboard seating positions. It is our understanding that NHTSA is investigating rulemaking in this area. As long as the cost-benefit equation for lap-shoulder belts at rear outboard seating positions points to the need for their mandatory installation, rulemaking should proceed.

However, if projections show that few persons will use such seat belts, in seating positions that are relatively infrequently occupied anyway, it is questionable whether the benefits in injury and fatality reductions will offset the cost of the installation of approximately 20 million belt assemblies each year.

Additionally, some vehicle designs do not lend themselves to the ready installation of rear seat lap-shoulder belts, another factor that could upset the overall cost-benefit analysis.

Volkswagen appreciates the opportunity to present our views on these important safety issues and thanks the Subcommittee for considering these views.

Statement of Philip J. James, Executive Vice President and Michael R. Lemov, Counsel, on Behalf of the National Glass Association

Chairman Gore and members of the subcommittee, we appreciate this opportunity to state the position of the National Glass Association on a safety inspection program of potentially great importance to the consumer and business: periodic motor vehicle inspection of safety-related automobile equipment (PMVI).

NGA is the nation's largest association of architectural and automotive glass companies. Its members include companies involved in auto glass repiacement, contract glazing, mirror installation, fabricating and distributing glass. Associate memberships are extended to those companies in allied areas including metals, machinery, equipment and sealants.

NGA has 32 chapters throughout the United States serving 2,500 manufacturers, dealers and other members. In cooperation with the Consumer Product Safety Commission NGA participated in the development of the current Federal Safety Glazing Standard for residential and commercial installations. We continue to work on glass safety and quality with building code organizations throughout the 50 states. We sponsor studies on auto glass and driver safety.

45,600 Americans died in automobile accidents in 1985. There were 32,500,000 accidents, an *increase* of 5 percent over 1984. The Insurance Information Institute esti-

mates that these accidents caused $76 billion in economic loss to this country. Over 5 million people were injured in motor vehicle accidents in 1985.

It is clear that all Americans have a direct interest in reducing deaths, injuries and property damage from motor vehicle accidents. With accident statistics as large as those we have referred to, even a modest reduction in vehicle accidents will result in substantial benefits to the public.

While federal motor vehicle safety standards play a major role in minimizing such accidents, an equally significant impact is possible through state programs requiring periodic inspection of the over 150 million vehicles in use. Congress, in 1966, incorporated in the National Motor Vehicle and Highway Safety Act the requirement that the Department of Transportation promulgate national standards for safety inspection of motor vehicles. That law required all states to adopt and implement inspection standards by June 1967. The Secretary of Transportation was authorized to impose sanctions for failure to comply by withholding federal highway funds for states not implementing safety inspections.

The Department of Transportation did not issue motor vehicle safety inspection standards until 1972. However, interim guidance was furnished to the states by the Department suggesting the possibility of withholding highway funds. The result was that most states adopted some form of safety inspection even wihtout definitive federal standards. The regulations of the National Highway Traffic Safety Administration now require that each state receiving highway safety funds implement periodic motor vehicle inspection.[1] However, the NHTSA regulation is unenforced, although the agency does promote motor vehicle safety inspections through educational materials.

Absent effective federal support for safety inspection, state programs have been ineffective and inconsistent. These programs have frequently required varying levels of inspection. Poor program design due to the lack of quality control has brought some public complaints. The result has been that several states have terminated safety inspections for motor vehicles within the past decade.

Eleven states repealed their motor vehicle inspection laws between 1976 and 1982. A total of twenty nine states now have no inspection requirements or only random inspection requirements. The following twenty-one states (and the District of Columbia) have functioning periodic motor vehicle inspection programs:

Arkansas
Delaware
District of Columbia
Hawaii
Louisiana
Maine
Massachusetts
Mississippi
Missouri
New Hampshire
New Jersey
New York
North Carolina
Oklahoma
Pennsylvania
Rhode Island
South Carolina
Texas
Utah
Vermont
Virginia
West Virginia

There are significant variations in existing state inspection programs. However, most state safety programs have requirements relating to inspection of the following parts of the automobile:

1. Brake systems.
2. Lights.
3. Glass.
4. Steering.
5. Suspension.
6. Body Components.
7. Tires and Wheels.
8. Exhaust System.

With an increasing number of states repealing their safety inspection requirements, public debate over the effectiveness of these programs has developed. In response to a series of questions by the Senate Committee on Commerce, Science and Transportation,[2] NHTSA indicated some support for the concept of periodic motor vehicle inspection, but a lack of hard answers regarding effectiveness of the programs in various states:

Question. Has NHTSA conducted any studies regarding the effectiveness of PMVI in avoiding accidents or reducing the severity of injuries?

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[1] 23 C.F.R. Part 1204.
[2] Senate Doc. No. 98-43 (September 13, 1983) at 19.

Answer. The only work done by NHTSA on the effectiveness of inspection was during a diagnostic inspection project at Huntsville, Alabama, in which our contractor compared the accident experience of the inspected vehicles over a two-year period with the experience of a control group of vehicles. The vehicles inspected in this project received a much more rigorous inspection than vehicles in standard periodic inspection programs. The study showed about 9 percent fewer accidents for the inspected group, *but we could not determine how much of the difference was directly attributable to the inspection and how much to the greater safety awareness of those who had volunteered their car for inspection.*

Question. In the past there have been several studies by private groups and also by the State of New Jersey regarding the effectiveness of PMVI progams in avoiding accidents or reducing their severity. Has NHTSA done any evaluation of these private studies or State studies to determine their validity? Does the Administration believe that periodic motor vehicle inspection is an effective method of reducing automobile accidents?

Answer. We are aware of a number of studies which differ among themselves on the value of inspection. In our view they fall short of documenting the need for a national inspection program, *but we have never subjected them to rigorous evaluation.* We believe that such an evaluation would be worthwhile, however, and we intend to review them and any other current data during this fiscal year. As suggested in our answer to Question 1, *we are open to any data suggesting that a program is effective in a given state, but we have strong reservations about motor vehicle inspection as a national program.* (Emphasis added).

In contrast to the modest support furnished to motor vehicle safety inspections by the Department of Transportation, the State of New Jersey recently conducted a study entitled "Comprehensive Analysis of the Motor Vehicle Inspection System".[3]

After an empirical analysis of accident data in the state, the study concluded that motor vehicle inspection "significantly reduces highway fatalities, reduces the number of highway accidents, does not significantly reduce the number of highway injuries, and reduces property damage which results from accidents".[4] The New Jersey study also concluded that "a partial analysis of the costs and benefits associated with the program indicates that the system is cost effective." New Jersey estimated costs of the program at approximately $83 million annually and benefits of $155 million annually, resulting in a cost-benefit ratio of 1.86 to 1.[5]

On the other hand, some observers have concluded that programs such as periodic motor vehicle inspection have no detectable impact on highway safety.[6]

NGA does not concur with those who assert that periodic motor vehicle inspections do not improve highway safety. On the contrary, we believe that an impartial analysis of these programs will demonstrate a clear impact both economically and in human terms on automobile accidents, deaths and injuries. We do agree with those critics of existing motor vehicle inspection programs who assert that the programs are inconsistently operated in various states, sometimes poorly managed and sometimes less effective than they should be. For this reason, NGA supports the inclusion in National Highway Traffic Safety reauthorization legislation of a provision mandating a study by the National Academy of Sciences based of new research and analysis, furnishing a definitive answer to the question of effectiveness. Such a provision was included in H.R. 2248 passed by the House of Representative in the 99th Congress.[7] We are particularly supportive of the provision's direction that the National Academy of Sciences provide guidance to the states in developing a model efficient and effective program. We emphasize that the study we propose should not be a literature search. NHTSA conducted such a review in 1985,[8] which concluded:

A number of studies provide evidence that vehicles in some PMVI jurisdictions are in better condition on some components than vehicles in some non-PMVI jurisdictions, but none of these studies involve truly random samples of vehicles-in-use.

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[3] Comprehensive Analysis of the Motor Vehicle Inspection System, August 1, 1982, by New Jersey Institute of Technology submitted to the Department of Law and Public Safety, Division of Motor Vehicles, State of New Jersey.

[4] Id. at 1.

[5] See also, "Motor Vehicle Diagnostic Inspection Demonstration Program," October 1977 (at p. i) (DOT HS-802 760), published by the National Highway Traffic Safety Administration, Washington, D.C.: "The results of this demonstration show that the use of this technology to determine the condition of the vehicle safety and emissions systems is viable and that it offers great promise to consumers and repair industry alike".

[6] "Vehicle Safety Inspection Systems—How Effective?" American Enterprise Institute, 1980.

[7] See H. Rept. 99-833, pp. 11, 27 and 47 (Sept. 17, 1986)

[8] DOT H5 806 750 "Cost-Effective of Periodic Motor Vehicle Inspection (PMVI)—A Review of the Literature," (at p. i).

Similarly, a number of studies have reported some reductions in accidents in association with PMVI (and some have reported the opposite), but no credible evidence was found which demonstrates significant changes in vehicle-defect accidents as a result of PMVI. Thus the few studies which have addressed the cost-benefit question have tended to be rather subjective and speculative because of the shortage of thorough and believable research on PMVI effectiveness. . . . It is clear that much more could be done to improve the effectiveness of existing PMVI programs.

Further, the NHTSA literature review included recommendations for specific areas of study:

(1) Comparing vehicle-defect accident rates in PMVI and non-PMVI states using Fatal Accident Reporting System and National Accident Sampling System data sets.

(2) Looking at vehicle-defect accidents in relation to time since inspection using accident files from PMVI jurisdictions.

(3) Looking at before-after vehicle defect accident rates in states which have introduced PMVI but have maintained the same accident reporting procedures, utilizing time-series regression techniques.

(4) Replicating the Loeb-Gilad type of time series analysis with general accident data in other PMVI states besides New Jersey.[9]

A current illustration of the potential of vehicle inspection for removing unsafe vehicles from the highways is illustrated in the Washington Post article (Feb. 21, 1987) "Inspection Catches Truckers Off-Guard". The article refers to the recent deaths of two Maryland high school students caused by a truck with defective brakes. The accident caused police to institute random inspection, after the tragedy had occurred. We suggest this incident illustrates that at minimum, inquiry into the effectiveness of periodic inspection on a regular basis is urgently necessary.

We have the following additional comments on this proposed legislation:

1. We recommend inclusion of a specific dollar amount to be expended by the National Academy of Sciences in the conduct of the study. We believe this is necessary in order to indicate the comprehensive scope of the study intended by Congress.

2. We recommend that a provision be incorporated in the legislation requiring that the National Academy of Sciences submit preliminary specifications for the design of the study to the relevant House and Senate committees prior to proceeding. Similarly, we recommend that the Academy be directed to furnish periodic reports to the Congress on the progress of the study.

The National Glass Association deplores the mounting toll of deaths and injuries on our nation's highways. We believe that state motor vehicle inspection programs offer the potential of reducing that toll. We urge the committee to take this first step toward hard answers and effective programs which will meet the need for highway safety through practical and economically sound state inspection programs.

We appreciate this opportunity to furnish our views on state motor vehicle safety inspection programs. We would be pleased to furnish any additional information that may assist the Subcommittee.

NATIONAL TRUCK EQUIPMENT ASSOCIATION,
Oak Park, MI, March 5, 1987

Mr. THURGOOD MARSHALL, Jr.,
Counsel, Senate Commerce Committee,
Hart Senate Office Building, Washington, DC.

DEAR MR. MARSHALL: I want to thank you for taking the time earlier this week to discuss with me the focus of the Senate Commerce Committee's hearing on the reauthorization of the National Highway Traffic Safety Administration ("NHTSA").

The National Truck Equipment Association ("NTEA") strongly supports efforts to increase highway safety and to ensure that the National Motor Vehicle and Traffic Safety Act ("Act") is fairly and adequately administered by NHTSA. The NTEA will submit a formal statement for the hearing record on the concerns it has with the administration of the Act at a later date.

To familiarize you and Members of the Committee with the NTEA and the companies it represents, I have prepared the following background material.

The National Truck Equipment Association based in Oak Park, Michigan, is the nation's largest trade association of truck body and equipment manufacturers and distributors. Founded in 1964, the NTEA has grown steadily from a small sales and marketing organization to an association representing over 1,300 manufacturers, distributors, and truck industry-affilated firms in every state of the union. NTEA

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[9] Id. at p. xii.

estimates that it represents approximately half of all companies engaged in the manufacture and distribution of truck equipment.

An NTEA member company is a typical small business—a closed corporation or independent proprietary business, community based, with a single plant operation, employing a small local workforce, with sales made in a local area or on a regional basis. A recently completed survey of NTEA members reveals the following profiles of the member companies:

distributor members average 28.4 years in business, with approximately 25 employees and gross annual receipts of approximately $2.5 million;

manufacturer members average 29.2 years in business, with about 90 employees and gross annual receipts of about $10 million.

With exception of pick-up trucks and standard vans, all commercial vehicles—i.e., trucks—are custom-made. The typical truck consists of a standard chassis manufactured by one of the approximately 20 chassis manufacturers that produce 98 percent of all truck chassis (companies such as Ford, General Motors, Mack, Peterbilt, Freightliners, etc.) and a body produced by one of several hundred truck body or equipment manufacturers. The chassis manufacturers do not produce customized truck bodies. When a customer orders a new truck from, for example, a Mack dealer, the Mack dealer sends the bare chassis to a truck equipment distributor who sells a body to the dealer and installs the body and related equipment ordered by the customer on the chassis. When a customer with a used truck wants to change the body on a truck, he typically will deal directly with a truck equipment distributor.

Because trucks (other than pickup trucks and standard vans), unlike cars, are produced in at least two stages by at least two different manufacturers, NHTSA has promulgated regulations that impose Federal Motor Vehicle Safety Standard certification obligations on incomplete vehicle manufacturers, intermediate stage manufacturers and final stage manufacturers. The chassis manufacturers are incomplete vehicle manufacturers with respect to trucks, while NTEA members typically are intermediate or final stage manufacturers.

There are about 2500 final stage truck distributors or manufacturers throughout the country, building very specialized commercial or vocational vehicles to service a broad range of commercial and occupational needs. The following is a partial list of some of the types of trucks that NTEA members are involved in producing: service body trucks, such as utility company vehicles with side storage compartments; tow trucks; fire apparatus; hoist or crane trucks; dump trucks; aerial lift vans and trucks; delivery vans; refrigerated vans; stake or platform body trucks; milk trucks; grain body trucks; contractor body trucks; insulated vans; beverage trucks; floral delivery trucks; catering trucks; farm body trucks; flatbed trucks; feed body trucks; lumber body trucks; oilfield body trucks; spreader body trucks; tank trucks; refuse trucks; ambulances and emergency medical rescue vehicles. Many of these vehicles are mounted on the identical type of chassis that is incorporated into pick-up trucks or standard vans that are marketed both for commercial purposes and passenger use.

In essence, every commercial or vocational application for a truck likely is completed by a final stage manufacturer or distributor. Every individual manufacturer or distributor that completes a commercial truck must be able to certify his particular vehicle to the appropriate standards. Every truck variety and every modification of a body to meet a customized need may trigger a new certification obligation.

Because they are small businesses, individual truck distributors or manufacturers are more dramatically affected by regulatory changes than the major auto and truck makers. Although NHTSA appears, at times, to take into account the reality of how commercial vehicles are produced, it all too often looks only at the big picture—i.e., at the Fords and General Motors of the world—when taking action that in fact imposes substantial burdens on literally hundreds of small businesses. Given the manner in which commercial vehicles are produced in this country, many regulatory proposals are unrealistic when it comes to such small businesses. The impact of the federal motor vehicle safety standards on manufacturers and distributors who produce specialized commercial or vocational trucks and the administration of the Act to such final stage manufacturers or distributors are concerns that the NTEA will bring before the Committee.

Your interest in the manner in which the safety standards affect the operation of final stage manufacturers or distributors is greatly appreciated. We trust that you

and the Committee will give serious consideration to the concerns of this segment of the truck industry in any NHTSA reauthorization legislation that is pledged.

Sincerely,

GUS A. AVRAKOTOS,
Washington Representative.

NISSAN RESEARCH & DEVELOPMENT, INC.,
Ann Arbor, MI, March 2, 1987.

The Honorable ERNEST F. HOLLINGS,
Chairman, Committee on Commerce, Science, and Transportation,
and
The Honorable ALBERT GORE, Jr.,
Chairman, Consumer Subcommittee Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR SENATORS: I am responding on behalf of Nissan Motor Company, Ltd. of Tokyo, Japan, to your request for information relating to the safety systems in Nissan vehicles. We appreciate the opportunity to comment at this stage of your involvement with these issues.

The information contained in the attachment represents our best efforts to respond to your inquiries. We hope we have responded in sufficient detail for your needs. If you do have further questions we may be able to address, please contact me or Mr. Tomoyo Hayashi of my Washington, D.C. staff at (202) 466-5284.

Thank you for seeking our input on the issues your Committee faces. We would hope our response is helpful in your efforts to draft reasonable legislative solutions for protecting the safety and quality of life of American citizens.

Respectfully submitted,

TOSHIO MAEDA,
Executive Vice President and Chief Operating Officer.

Enclosure.

A. NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION (NHTSA) AUTHORIZATION

Nissan has not taken an active or independent position on the previous NHTSA authorization bills, so we refrain from further comment at this time.

B. MOTOR VEHICLE SAFETY ISSUES

1. Light-Duty Trucks and Multi-Purpose Passenger Vehicles (MPV's)

The matrix requested is attached for your reference. As the matrix shows, Nissan's light-duty trucks and multi-purpose vehicles have met most of the passenger car safety standards which they are not required to meet. This is true for those categories of vehicles in 1983 through 1987 model years as well as for the 1988 model year.

In every case where Nissan voluntarily meets the passenger car requirement for a truck or multi-purpose vehicle, the necessary equipment or specifications changes are standard and not optional.

2. Nissan's Plans for Passive Restraints

a. Nissan currently offers a motorized two-point automatic belt as standard equipment on the 1987 model Nissan Maxima. (A manual lap belt is included.)

b. Our overall plan is to install varying automatic belt systems as standard equipment in an increasing number of production vehicles during the phase-in years for Federal Motor Vehicle Safety Standard 208. In every year of phase-in we are aiming to exceed the minimum fleet percentage requirement by a margin of 5-10%.

c. Nissan continues to believe that the three-point active seatbelt is the most effective system for protecting vehicle occupants. As a supplemental system to be used in addition to the three-point belt, a driver-side air bag is now under consideration, with tentative plans for installation as an option on a 1989 model (in late 1988).

3. Rear Seat Belt Systems

Nissan has installed rear seat lap-and-shoulder belts as standard equipment in the MAXIMA model, since the beginning of the 1987 model (April, 1986). Our current plans are to phase in rear lap-and-shoulder belts one model at a time, so that all 1990 model year passenger car models will be so equipped. Our multi-purpose passenger vehicles which have rear seating positions will include the rear lap-and-shoulder belts as standard equipment by the 1991 model year.

4. Bumper Strength

All Nissan vehicles exceed the requirements of the present bumper standard, which uses a 2.5 mph test speed. The chart below gives further breakdown.

MODEL	PRESENT STANDARD (2.5mph)	1980 STANDARD (5mph/PhaseII)	1979 STANDARD (5mph/PhaseI)
SENTRA	→	O	
PULSAR NX	→		O
STANZA	→	O	
MAXIMA	→	O *	
200SX	→		O
300ZX	→	O	
STANZA WAGON	→	O	

* NOTE: Rear sight shield on sedan model was cracked in Nissan's test.

MATRIX OF PASSENGER CAR STANDARDS NOT FULLY APPLICABLE TO LIGHT TRUCKS AND MPV'S (Page 1 of 2)

FMVSS (FEDERAL MOTOR VEHICLE SAFETY STANDARD) NUMBER & ITEM		LDT/MPV REQUIREMENTS		PICKUP TRUCK	PICKUP TRUCK	PATHFINDER (MPV)	VAN (Truck)	VAN (MPV)	STANZA WAGON (MPV)
		TRUCKS	MPV'S	1983-85	1986-on	1987-on	1987-on	1987-on	1985-on
102	S3.1.1: A/T Shift Lever Positions	No A/T Shift Response Req.	No A/T Shift Response Req.	O	O	O	O	O	O
103	Windshield Defrosters & Defoggers	No Performance Requirement	No Performance Requirement	O	O	O	O	O	O
105	Hydraulic Brake Systems	Different Parking Brake Req.	Different Parking Brake Req	*	*	*	*	*	*
108	Center High-Mounted Stop Lamp	No Requirement	No Requirement	--	--	--	--	--	--
118	Power-Operated Window Systems	No Requirement	All Reqs. Apply	O	O	/	O	/	/
202	Head Restraints	No Requirement	No Requirement	Bench Seats:-- / Separate Seats: O	O	O	O	O	O
(208)	Passive Restraints	No Requirement	No Requirement	--	--	--	--	--	--
211	Wheel Nuts, Discs & Hubcaps	No Requirement	All Reqs. Apply	O	O	/	O	/	/
214	Side Door Strength	No Requirement	No Requirement	--	--	--	--	--	O
216	Roof Crush Resistance	No Requirement	No Requirement	O	O	O	O	O	O
Part 581	Bumper Strength**	No Requirement	No Requirement	--	--	--	--	--	--

KEY: O = Voluntarily meets the passenger-car requirement
--= Passenger car requirement is not met
* = Not tested for the passenger car requirement
/ = Standard must be met for this model type

** NOTE: Vehicle height and posture inevitably differ from passenger cars, so by definition trucks and MPV's cannot comply with the bumper requirement